Preview of Tomorrow's House (p. 11)

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The Nation's Business

How to Prepare Now For Growing Exports

Among stimulating views expressed at the annual meeting of the Canadian Manufacturers' Association in Toronto this week were some on the subject of taxation and of export markets.

On taxation and the outlook for the welfare of all Canadians, L. L. Lang, retiring president, said forcibly and well something that very much needs saying and often. He warned that government taxation, while most willingly met today, and most desirable in the fight against inflation, can result in a weak or crippled Canadian industry that will not be able to meet the challenge of providing the high levels of steady employment which public opinion and the national welfare demand of it. He said:

"Undernourished corporations, like undernourished men, cannot work or help win the war or play an effective part after the war in solving the all-important problem of providing a maximum of employment."

F. P. L. Lane, incoming president of the CMA, developed this theme further and he recommended adoption of the British system which is to refund from taxes paid in the two preceding years, the deficiency in the current year's standard income.

To export problems of tomorrow most Canadian manufacturers are looking with deep concern.

Obviously this is one of the vital topics Canadian business and government must now face. For not only must Canada recapture her big share of world markets, as Hon. J. A. MacKinnon, Minister of Trade and Commerce, pointed out, but that share must be bigger than before because of our greatly increased industrial capacity and because, in the world ahead, every Canadian aspires to maintenance of a higher level of steady employment.

Arthur S. Lambert, manager of the export division of Atlas Steels Ltd., made two recommendations:

Continue the Mutual Aid plan into the postwar period.

Prepare now for more efficient export merchandising.

Before the present war, said Mr. Lambert, many countries "who should be Canada's good customers" became so involved in long term credits of one to two years that profitable competition for Canadian manufacturers became virtually hopeless. "We had many cases where the order slipped through our fingers at the last minute because we had no way of equalizing these long term credits. It was becoming a question of international trade policies which only our Government could solve for us."

Mr. Lambert says the Mutual Aid Bill solved this problem "excellently"; that it is a measure "which must be carried on into postwar trading if Canada is to do her duty to the workers of this country."

PREPARE NOW FOR PEACE TRADE

While he recommends continuing the Mutual Aid program, Mr. Lambert says we have now reached a stage where "some different thinking and action is necessary."

"Where any industry has now reached production capacity over Canadian requirements, shouldn't consideration be given to postwar export plans in disposing of this production?...It must be dealt with as government policy so that our individual materials controllers in Ottawa are made familiar with the policy as defined...

"Admitting that this production must necessarily be first of all channeled to the United Nations for war purposes, why cannot part of this production be arranged through normal channels of trade as well as mutual aid, so that individual customer contact can be maintained. Unless we do so, even to the small extent of token shipments, then our export traders will have a most difficult task getting their share of world markets after the war. Don't forget the old axiom, 'It's twice as hard to get a lost customer back as to get a new customer'."

On merchandising of exports, Mr. Lambert obviously does not belong to the "sit back and wait" school. Mr. MacKinnon announced that Canada's foreign service—trade and diplomatic—is to be greatly expanded. Mr. Lambert boosted Canada's trade commissioner service, told exporters to make more and better use of these overseas salesmen for Canada.

But business must improve its own capacity to develop export business, Mr. Lambert urged:

"Canadian industry as a whole is not well enough represented overseas to face postwar export competition. Very few companies have sufficient business to maintain their own organization in each country. Good agents are scarce."

"We have a co-operative plan developing which cannot be detailed at the moment but the plan can be discussed with interested parties. This plan provides for a group of manufacturers in allied but noncompetitive lines choosing a representative for the group and controlling him by means of a limited liability company formed and financed for that purpose."

A CHALLENGE TO FACE AND BEAT

On the front page of the second section of this issue are two articles important to every Canadian businessman. One deals with the type of home an intelligent consumer requests, the other with the things a qualified architect can provide to meet her needs.

Postwar planners are fairly unanimous on the point that housing must occupy a front-rank position in Canadian industry, that we must provide not only more homes, but better, more serviceable, more flexible, more economical and better equipped homes.

Whether this will mean a centralized, prefabricated housing industry, developed by a Ford or a Kaiser, or whether it will come through the co-ordinated efforts of our present custom-tailoring industry is still a matter of passionate argument and will in the end be determined by economics, not by traditions or prejudices.

The technique of building and equipping a house has advanced so rapidly within recent years that all but a small fraction of our homes, and the cities that contain them, are obsolescent. Perhaps three-quarters of Canada could well be rebuilt.

But it is also a fact that little or nothing has been done to create a "climate" favorable to the gigantic task of building and rebuilding that lies ahead. Building regulations have not been co-ordinated between municipalities, the type of home acceptable in one, is taboo in another. Most municipal taxation is based almost solely on frontage, puts a premium on crowding.

Of paramount importance is the fact that we have developed no practical method of compensating the owner of old-fashioned housing so that he will be willing to tear down an old structure. The existence of obsolescent housing is thus allowed to become a pecuniary bar to community welfare.

One thing is clear: Public pressure for big value in housing is going to intensify. While the present scale of income taxes will be reduced after the war, this generation will, almost inevitably, carry much larger income tax burdens than it did before this war, if for no other reason than that public opinion asks more and more from government in social security, etc. And higher taxes mean that families, generally, will have less to spend on housing.

As North Americans, we expect industry to go on producing marvels of convenience and of value. Modern industry has scores of magnificent and fabulous new products to offer us after the war. Rightly or wrongly, the public will expect similar marvels from the housing industry and will swarm to the man who can offer them.

Sales managers have a saying: You can't sell everything you can make, but you can make anything you can sell.

If Canada will see to establishing the fundamentals of a climate favorable to housing, businessmen of true enterprise can lick the rest of the problem.

Our Exports Are Highest In History

Canada is Now World's Third Largest Trading Nation—New Ministers to be Named

"In 1939 our export trade amounted in value to $927 millions. For the year 1940 this rose to $1,179 millions. In 1942 it amounted to the almost unbelievable total of $2,385 millions and our total trade amounted to over $4,000 millions. We have now become the third largest trading nation in the world."

This statement was made by Hon. James A MacKinnon, Minister of Trade and Commerce, in Toronto this week, at the annual meeting of the Canadian Manufacturers' Association. Last year, he said, was the most notable trade year in the Dominion's history.

He gave other figures showing that Canada's exports are still swinging upward. In the first four months of the present year they amounted to $777.9 millions, a gain of roughly $117 millions over the same period of 1942. Imports in the four months were $538.5 millions, down approximately $10 millions from a year ago. Total trade was up $106 millions.

"Essential" Exports

Mr. MacKinnon pointed out that present exports are all of an "essential" character and that shipping space could not be spared to move any cargo except that urgently needed by the United Nations and friendly countries. Goods going forward were for one purpose—"to win this war in the shortest possible time."

"Our exports, from month to month, have also served to measure, in a striking way, the rising power of our contribution to the military and economic strength of the United Nations," he declared.

Mr. MacKinnon expressed the opinion that, while there is still a long and difficult road to travel to final victory, we have progressed far enough along that road "to justify a more intensive consideration of postwar industrial policy."

The character of postwar trade would almost certainly be different from international commerce as it had been known in the past. Chemical progress had created great new markets for synthetics and plastics which would inevitably alter the flow of trade and stimulate new enterprise.

British and U. S. Trade

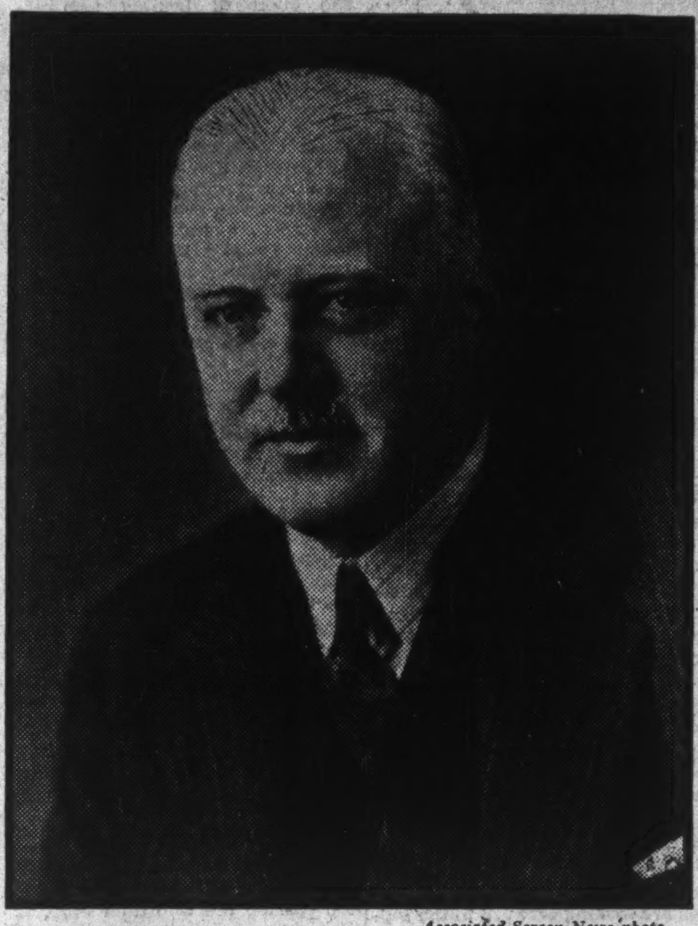
"We all appreciate the necessity of maintaining and enlarging our trade with the United Kingdom and the United States," he said. "Conversations and conferences on this great question will be taking place immediately here and abroad."

China, the Caribbean countries and Central and South America he referred to as "great potential markets for Canadian goods." Once peace was restored, China would embark on a program of reconstruction and industrialization. "China's demands for products of all kinds will be enormous and we should supply a substantial portion of these demands."

Mr. MacKinnon announced that steps are now being taken by the Dominion Government to appoint a

(Continued on page 2, col. 3)

New CMA President



—Associated Screen News photo

Frederick P. L. Lane, Montreal, incoming president of the Canadian Manufacturers' Association, has never grown a leaf of tobacco, wrapped a packet of cigarettes, or sold a cigar across the counter. Yet few have more intimate knowledge of the tobacco trade. Vice-president of Imperial Tobacco Co. of Canada, for years he has directed its financial affairs. A Montrealer by birth, he was educated in Toronto and got his early business training with the Imperial Bank and the accounting firm of Clarkson & Ross. Mr. Lane is a better-than-average golfer, an enthusiastic angler. One of the ablest spokesmen of business, he was second vice-president of the CMA in 1941 and vice-president in 1942.

Use of Sugar Now Down About 36%

Total Consumption For Year Likely to Be Held to 850 Million Pounds

By STAFF WRITER

OTTAWA.—Consumption of sugar in Canada is now running 36% below 1941 levels. For the year as a whole it is expected to be held to about 850 million pounds, The Financial Post is informed. This would represent a cut of about one third from the 1.2 billion pounds produced and used in 1941.

Biggest headache has been (and still is) the allocation and distribution of sugar for home canning and preserving. Last year, when sugar for this purpose was given out on a free-for-all basis, housewives took 100 million pounds. WPTB officials, when they came to study the 1943 situation, thought that a similar allowance would be ample.

Instead, housewives deluged their local ration offices with demands which soared to the 210 million pounds mark—obviously about twice as much sugar as could possibly be used to privately can or preserve the fruit which is available from Canadian farms and gardens. WPTB officials doubt if there is even enough fruit to match the 100 million pounds they have now allotted for the 1943 season. This 100 million pounds represents about one eighth of estimat-

(Continued on page 2, col. 4)

Duplicate Services To be Eliminated

NSS Director Says "Excessive Competition for Trade" Must Go — Mentions Overlapping Systems of Retail Delivery

By KENNETH R. WILSON

The "elimination of excessive competition for trade" was forecast this week at Toronto by Arthur MacNamara, director of National Selective Service, when he locked horns with 500 industrialists at the manpower session of the 72nd annual meeting of the Canadian Manufacturers' Association.

There is widespread overlapping of services, too many milk and bread drivers on our streets, for example. There is no longer the manpower to support them, claims Mr. MacNamara.

The National Selective Service is now moving manpower to essential jobs. This means inevitably that employers will have to eliminate many services now given the public, pool their deliveries, etc.

"The sooner businessmen act in this direction, the easier will be the period of drastic manpower adjustment which lies ahead," he stated.

Highlights of Discussion

Although the CMA manpower discussion was partly in camera, the general discussion brought out the following points:

National Selective Service has admittedly suffered from poor enforcement to date; has made no convictions against "enticing;" hopes shortly to extend its enforcement machinery.

There is difference of opinion at Ottawa as to whether or not the official manpower priority classifications should be made public. Employers unanimously urged that this be done as in the case of material priorities. (Basic reason behind Ottawa's reluctance is said to be the selfish one of wishing to avoid pressure from groups who would think themselves entitled to a higher priority rating for manpower).

Employers complained bitterly that NSS rulings and operation lacked adequate "teeth." The official comeback: "It depends whose ox is gored. When we try to enforce our regulations we are deluged with representations urging special treatment for special industries or occupations, etc."

Some employers raised the question of longer working hours for many industries and firms in order to stretch manpower. NSS officials saw no objection but thought the matter should be handled by industry itself through agreement with employees. No action was taken to put the association on record as urging such a step.

NSS officials admitted having doubts as to the wisdom of continuing "help wanted" advertising under present employment conditions. This matter is now under study. It was admitted that employers who advertised got the edge on non-advertisers (other things being equal) and that chief virtue of continuing to permit advertising was to obtain persons of special skills who were now working in some obscure industry or not working at all.

Urge Wage Zoning

There was considerable approval both among official spokesmen and among CMA membership for extension of wage zoning which would help to achieve greater equality as between workers in similar occupations and cut down "enticing" and other labor ills.

In justification for the work of National Selective Service it was pointed out that Canada's employment offices had taken on the huge responsibility of looking after the placement, records and personnel problems of 4½ million wage earners in Canada. This represents an increase of one million over 1939 employment.

Elson from Washington

Postwar Picture Takes Shape

- Canada loses important and friendly advocate in Tucker's resignation from WPB.
- Two major domestic crises, labor and prices, still unsolved in U. S.
- While Lewis' strong tactics anger civilians and forces, he remains a power to be reckoned with.

● Speculation about the war fronts died a natural death here this week. The whispering gallery was hushed waiting for the real news from the battlefronts.

But there was good news for a brighter postwar world. The Senate, following the House of Representatives' good example, renewed the President's power to negotiate reciprocal trade agreements. This was a triumph for Secretary of State Hull and a promise that the Americans will do business after the war.

The United Nations food conference was also good news, because it accomplished a great deal more than even its sponsors hoped. Now its policies must be put to the test of politics at home in Canada as well as in the United States, Great Britain and the U. S. S. R.

In diplomacy the United States looked closely at events in Argentina that are viewed as of greater importance here than in Ottawa, with the very good prospect that the American State Department will not recognize any new Argentine Government that maintains relations with the Axis. London and Ottawa would follow suit.

● Canada lost an important and friendly advocate within the War Production Board when Joe Tucker, director of the Canadian Division, who divided his time between Ottawa and Washington, resigned. He will be succeeded by Hugh Porter, who has been serving as chief of the Washington branch of the Canadian Division. Porter becomes acting director of the division.

Tucker had so organized the Canadian division that Canadian requests for priorities which were "screened" in his division at Ottawa were largely accepted at headquarters as presented.

Tucker knew Canada before he tackled the job. Before coming to Washington he was vice-president and general sales manager of the Oliver Farm Equipment Co., Chicago. His home was in Evanston. But he had travelled extensively in the Dominion. His direct approach was an asset and he very early established excellent relations with the Department of Munitions and Supply offices here and in the Canadian capital.

The Canadian division was set up after presidential directives had established that Canadian requests for priorities were to be given equal treatment with those from the United States.

● At home in the United States two major domestic crises are still unsolved. The labor problem wasn't solved by the partial and qualified surrender of John L. Lewis.

This was by no means a victory for the President, and leaves some uncertainty about future labor tactics if Lewis can show, as now seems likely, that his tactics gained him substantial increases for his miners. Related to this problem is the continued uncertainty and debate about the roll back of prices which the United States has now undertaken by means of vast subsidies.

Mr. Roosevelt, it is widely believed, wishes to shed the domestic routine of war to give most of his time to its conduct and frame the policies that will guarantee the peace.

Cheering as was the Senate vote on the trade agreements issue, in which all opposition except for a rock-ribbed group of diehards collapsed, his big job is to make that

(Continued on page 2, col. 4)

Steel Wages Continuing In Dispute

New Angle Enters When Stelco Seeks All-round Raises

Steel Co. of Canada, which was not involved in last winter's steel strike, has asked the Ontario Regional War Labor Board for permission to pay its workers a 54 cents an hour basic wage plus full cost-of-living bonus.

This was brought out in a House of Commons return, tabled after a CCF request for correspondence and agreements between the government and the United Steel Workers of America.

It is understood that Stelco is asking for increases in all pay categories rather than a straight 54 cent basic rate. It is thought somewhat doubtful whether the Ontario board can deal with the full request. The application is still being considered.

Judging from the arguments between government representatives, including cabinet members and officials of the labor department, and the United Steel Workers of America, a final settlement of the steel dispute of last winter still has not been achieved.

Charges made by the union, in a recently published statement entitled "Crisis in Steel," that the government failed to carry out certain specific commitments made during the negotiations, have been countered by government spokesmen with denials of any breach of faith.

Carefully Worded Questions

The CCF questions were undoubtedly framed in a most careful manner by someone who had access to letters passed between the government and Mr. Millard after the McTague award was made public. Mr. Millard's letter of April 1 asked a number of very pointed and categorical questions of the Department of Labor. After some delay the government replied and gave substantially the answers which were contained in reply tabled in the House last week.

Behind this controversy is probably the fact that when Prime Minister King and his advisers gave in to the striking steel workers they offered a settlement which in the hands of a less conscientious public servant than Justice McTague would almost certainly have ended in establishing a 55-cent basic rate for all steel workers.

Acting presumably on the publish-

(Continued on page 2, col. 6)

Hearst Debt Takes New Importance

Canadian Newsprint Firms More Hopeful of Collecting $8.5 Millions

MONTREAL. — Substantial improvement in the financial position of William Randolph Hearst's newspaper chain in the United States, is being watched with keen interest by Canadian newsprint manufacturers.

For five years they have been carrying among their doubtful accounts some $8.5 millions of Hearst notes, given to them at a time when Hearst was unable to pay cash for his paper supply.

In the interval they have been receiving 5% annually on the debt, but prospects of its redemption was such that the majority of creditors took the notes out of current accounts and put them among deferred assets.

The auditors went even further by appending a footnote to the balance sheet to the effect that they were not "in a position to express an opinion as to the ultimate value of this asset."

Owes $10½ Millions

At present Hearst owes Canadian newsprint companies about $10.5 millions, of which $2 millions is on open account and the balance represented by notes. These notes are secured by certain indentures of pledges on various Hearst assets. In some cases the notes rank ahead of bank claims.

Actually no move has been made by Hearst to pay off these notes. Unofficially it is understood that some feelers have been out to find out what price the Canadian companies would take for them. Officially nothing has been done.

On the other hand, the financial position of the Hearst newspaper chain has undergone a marked improvement and Canadian manufacturers are beginning to see interesting possibilities in connection with the notes.

Two or three years ago the notes had little or no value. That is not the case today. While it is difficult to say just what they are worth, there is now no question of the holders letting them go for the proverbial song.

10 Operators Involved

At least 10 newsprint manufacturers are interested in the betterment of the Hearst financial position.

Probably the largest holder of

(Continued on page 2, col. 6)

Plan "Peace Through Plenty"

But Freedom From Hunger First Aim of Conference

Special Correspondence

WASHINGTON.—Immediate freedom from hunger received a higher priority than freedom from want at the United Nations food conference, just concluded at Hot Springs. It published some high-sounding declarations for a new world order of peace through plenty but 44 nations also agreed upon some hard-boiled resolutions for feeding the world now and in that uncertain period between the cessation of hostilities and the achievement of peace.

In drafting both long and short-term objectives Canada's delegation played a key part. But most important to the Dominion are the resolutions that call for—

Creation of an interim commission, later to evolve into a United Nations food organization;

Continued maximum production of essential foods even after the conclusion of hostilities;

Expansion of production of necessary implements such as fertilizers, farm implements, etc.;

Securing through equitable distribution the maximum advantage from such supplies as are made available.

The "interim commission" which meets July 15 in Washington will be the instrument by which the recommendations of the conference can be translated into action.

Maximum production of essential foods means Canadian farmers can expect to push hard production of certain directed foods even after hostilities cease because it is now realized there will not only be a shortage of energy foods but of actual calories. The world is hungry, the land will be pushed to feed it.

Canadian factories may be asked to build implements to send abroad under mutual aid, or long-term credits, to replace the devastation of war. End of hostilities this time will not mean relaxed effort in factory or farm. And the recommendations about "equitable distribution" plainly suggest continued rationing at home to meet overseas needs—to keep people from starving.

These are the short term implications only.

Long-term Aims

For, in the long run, the conference proclaimed in its recommendations that the goal of freedom from want can be obtained, provided other great goals like international security, freer exchange of goods and monetary stabilization can be achieved. These long range goals must inevitably await further international conferences now on the way.

These will include the United Nations relief conference, in August; the monetary conference, to convene before the end of the year and perhaps a conference on raw materials, which President Roosevelt tentatively has placed on the United Nations future agenda.

Most important by-product of Hot Springs really was the evidence that 44 united and associated nations could work together. And particularly significant was the leading part played by the Soviet delegation—indicative of the coming role that Russia is going to play in United Nations councils and reassuring as to Stalin's intentions.

If there were no commitments—which made it much easier to reach general agreement—the 44 delegations did sign a final document suggesting how governmental policies can be framed. The findings of conference will have a far-reaching influence on the minds of men who seldom make headlines but draft the memos on which major policies are decided.

Canada's Part

The part Canada played was very important—a recognition of the key role the Dominion has in food and postwar relief. Deputy Minister of Agriculture, Dr. G. S. Barton, was assigned to the 11-nation steering committee, the conference's governing body. He was also on the drafting committee along with Canada's able young Minister-Counsellor at Washington, L. B. Pearson.

Dr. Barton was chairman of the important committee within Section 2 of the conference dealing with measures for direction of production of commodities "the supply of which should be increased" and measures for shifting production out of commodities in chronic surplus.

Thanks to Canada the recommendations of the conference in respect to agriculture were enlarged to include fish and marine products—action that may indirectly help stabilize postwar operations of B. C. salmon industry and fishing in the Maritimes. Other countries profited by the Canadian example to press for the inclusion of textiles and such materials as jute, where these are dependent upon agriculture.

Propose Food Bank

In the early days of the conference the British pressed for an international food bank, or the establishment of buffer stocks to put a floor under farm prices and equalize lean and bumper crops. But as the general realization spread that there would be few surpluses for many years after the devastation of this war, less emphasis was put on

(Continued on page 2, col. 1)

MEN'S SHOP

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The Men's Shop

Civil and Military Outfitters

Cor. Bay and College Sts.

EATON'S-COLLEGE STREET

"Peace Through Plenty"

(Continued from page 1)

international commodity agreements.

The conference recognized that these can play a useful part in mitigating excessive short-term movements in prices. Thus there was indirect approval of commodity agreements already operating, such as the International Wheat Agreement, to which Canada is a party. But commodity agreements were placed second to the long-term achievement of a broader goal of freedom from want.

This ideal of "peace through plenty" the conference felt could best be accomplished through a six-point program best summarized as follows:

Assure peace and international security by concerted action to make possible an "expanding and balanced world economy;"

Remove trade barriers and discriminatory trade practices to achieve wider distribution of food and other goods;

Prevent "speculative and violent" fluctuations in prices of food, instruments of production and other necessities;

Promote highest standards of living for the people by full employment, full production and a balance between agriculture and industry;

Accomplish national and international social security through such methods as family allowances, social insurance and minimum wages;

Improve national diets by making protective food available free, or at cost, to lower income groups with special emphasis upon feeding of mothers, children and invalids.

Cynics can sneer at these general goals as an impossible blueprint for a never-never world. Their achievement will not be easy, but if the United Nations can manage through collaboration to obtain freedom from hunger now, in the immediate postwar period they may be able to move toward the larger goal of freedom from want.

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The War and Business

By BRUCE MacKINNON

Rayon Revolt

The Canadian Women's Army Corps, usually second to none in sartorial as well as military smartness, has been badly scooped—twice. First the Wrens and now the W.D.'s of the RCAF have been permitted to wear rayon stockings. The CWAC's, except for officers off parade, still must sheathe their shanks in lisle. But they don't expect the army to let the other two services keep the lead for long.

• • •

Guilty Customers

Some law-abiding merchants, seeing black-marketing competitors steal their business, suggest that the customers who patronize the black market should be prosecuted by WPTB. According to WPTB enforcement officers, customers are being prosecuted in some cases, and in Toronto a trial is pending for three suit-buyers, a retail tailor and a processing tailor. The charge—selling two-pants suits, the second pair of pants to be picked up a day or two later. But over the field, the WPTB must rely on gypped customers to bring in information about being overcharged, etc., and the best evidence is a completed purchase. Consequently, although the customer is equally culpable, the primary drive will likely continue to be against the law-breaking dealer.

Inside Germany

Effects of bombing and loss of morale on the German home front have put German industry back to the stage of bottlenecks and improvised solutions that characterized the build-up period in democratic war industry, according to the Berlin correspondent of a Swiss paper. "Although production targets have been set lower than last year, they are not being hit. The 'fall-short' is often as much as 30% or even 50% . . . The Germans have the plant for producing 90 submarines a month. They are turning out only 45."

• • •

Postwar Fiction?

Some manufacturers are frankly worried about the publicity being given to the technical progress that may develop after the war, fear that the public will expect something that cannot be produced for the money. Others are taking a directly opposite slant, on the assumption that there won't be rapid progress unless the public is sold on it first.

A leading disciple of the latter school is Durez Plastics & Chemicals, whose "Plastic News" continues to pepper the industrial world with new and improved designs for conventional things. In May they reported on — a "Toastalator," which slides toast out endways instead of popping it up in the centre, thus has a roof over the heating elements which keeps out dust and conserves heat—an electric kitchen mixer made of plastic and with the overhead beating arm removed for easier cleaning and stowing—a streamlined sewing machine with more working parts enclosed—a Raymond Loewy-designed plastic car with engine in the back, lucite roof, etc., etc. Basic concept behind the Durez publicity is that plastics must not be a "duration" industry, that the consumer and processor should be sold now on functional equipment and the part plastics can play in producing it.

Sugar Use Down 36%

(Continued from page 1)

ed total consumption in Canada for the entire year.

Up to Local Boards

It has now been allotted to local ration boards in about the proportion of their demand to the total available supply. It is up to local boards to determine how their allotment is to be distributed. In some areas a larger amount is being given to rural housewives. In others, (northern Ontario for instance) the same amount is going to each group. In some areas the head of the household (that is, one person in each family) is getting a larger ration.

In important urban communities the allotment works out at about 10 pounds per person.

So far as supply is concerned, beet sugar producers in Alberta and Manitoba are looking forward to the biggest year in their history. This is not true in Ontario, where labor shortage is said to be responsible for abandoning much of the land in southern Ontario normally used for beets.

The price allowed this year for beet sugar works out about $10 a ton, which is about $2 a ton more than last year and $3 to $4 a ton more than the pre-war return to growers. Ontario growers are still complaining about the price, even though the growers' association agreed to the $10 figure when a subsidy of 55 cents a ton was given them by the Ontario government.

Encourage Beet Sugar

Although everything possible is being done to encourage beet sugar crops in Canada, it is not likely that the tonnage produced will have a very great effect (over-all) on Canada's supply. Normally Canada does not produce more than 150 million pounds of sugar from beets. In 1940 and 1941, this was raised to over the 200 million pound mark.

More than three quarters of Canada's total requirements must come from overseas and no shipping is available to supply Canada with larger per capita supplies than are used in U. S. or U. K. Irrespective of the size of the Canadian crop, the over-all amount of sugar available to Canada in 1943 will not exceed the 850 million pound mark.

The basic argument now, as in the past, is that most of Canada's sugar needs must be met by use of ships and merchantmen—both of which are at a tremendous premium. Every ton that can be saved is therefore a contribution to the war effort so far as it can bring about a proportionate saving in shipping and manpower.

1942 Exports Are Highest In History

(Continued from page 1)

commercial attache to the staff of General Victor Odlum, Canada's minister to Chungking.

Four New Legations

Canada, he said, was also looking forward to an exchange of ministers with Mexico, Peru, Colombia and Cuba "at as early a date as possible."

The Dominion is already represented by ministers in Argentina, Brazil and Chile—"an indication of the value which your government attaches to the promotion of closer relations with the countries of Latin America." A trade office had been established at Bogota to serve Colombia and Venezuela.

Mr. MacKinnon said the trade commissioner organization, as soon as peacetime conditions permit, "will be rapidly enlarged to serve the expanding needs of Canadian exporters in all parts of the world."

Probably no other country was so essentially an exporting country as Canada. "I am stressing this phase of national activity and development because after the war Canadians must not only produce, we must sell our production. Any thought that this country can create full employment—out of its own resources alone—is misleading and dangerous. What does create jobs in a nation is more trade."

Mr. MacKinnon said Canada's billion dollar gift to Britain was more than wartime co-operation. "It is also self help. We cannot afford to let Britain reach the point where they might liquidate their entire financial stake in the Dominion. Trade follows the path of investments already made."

Canada's construction of a fleet of 10,000-ton cargo ships was a contribution to victory, but "the extent to which those ships can be used by Canada in postwar trading and how the ships can best be distributed and operated is something on which great thought is necessary—even in the midst of a tremendous world struggle."

Elson from Washington

(Continued from page 1)

decision stick. Like the policies adopted at the food conference future plans must stand the test of practical politics.

In the case of future world planning, this means belt tighening after the war as well as during the hostilities so there are supplies to share with the liberated countries. In Canada it means a willingness to subsidize wartime production at high levels during the peace.

But so far the President's domestic problems have kept crowding back on the White House doorstep.

● On the labor issue, Lewis' strong arm tactics angered the people and the troops overseas. His eleventh hour backdown was only partial and conditional. The coal miners will stay at work this time probably because Lewis will get a contract that will be satisfactory to him, which means the miners get substantial concessions. Directly or indirectly this will mean an increase in prices.

The long range effect of this on other labor problems can't be gauged yet. But Lewis hasn't lost any of his power and his tactics may make it harder for labor leaders loyal to the President to hold the line. This will be particularly true if the price control program bogs down. The program as now outlined—which includes roll backs of high prices on essential commodities through subsidies plus wage stabilization—still hasn't been accepted by either the farm or labor groups.

This week even such representative groups as the National War Meat Council were protesting subsidies. The program has been complicated by evidence of disorganization in the personnel of the Price Administration Office. Lacking, too, is a co-ordinated taxation plan to safeguard misuse of subsidy payments such as Canada imposed when they were introduced.

Mr. Roosevelt will make a new attempt to get Congress to raise taxes soon. The Treasury is also planning to sell $18 billions to individuals during the remainder of the year. The last war bond drive showed that the percentage of individual investors was not high enough.

Hearst Notes Outlook Gains

(Continued from page 1)

Hearst notes is Anglo-Canadian Pulp and Paper Mills.

Abitibi ranks second on the list, followed by Consolidated Paper, Canadian International Paper and Lake St. John Power and Paper in the order named.

Each of these operators holds a minimum of $1 million of Hearst notes.

In the second group are Donnacona Paper Co., Price Bros. & Co., James Maclaren Co., St. Lawrence Paper Mills and Brompton, with average holdings of somewhat under half a million dollars of notes.

In addition these operators carry open accounts for Hearst, representing current shipments which are paid for in cash under the usual trade terms.

Whether or not the manufacturers will get 100 cents on the dollar is an open question. On the other hand, current prospects are that in any settlement a substantial cash payment will be made, while the balance owing might serve a useful function in negotiating long term contracts.

Steel Dispute Still In News

(Continued from page 1)

ed terms of settlement, Justice McTague found that he was quite within his legal rights to declare a basic wage of 50 cents and not the 55-cent rate which undoubtedly the steelworkers themselves had expected to get. Certainly no one has challenged the McTague interpretation, but merely the professed "understanding" between MacNamara and Millard.

Now the government has declared emphatically there was no such understanding—at least in so far as the 55-cent wage rate was concerned.

The 54-cent rate sought by Stelco would provide the same increase as that granted by Justice McTague in the case of companies where strikes occurred. Stelco's basic rate has been four cents higher originally and the application asks that this differential be retained.

New Tactics at Galt

A new development in tactics by CIO unions has been shown at Galt, where the union is asking that eight plants, now partly closed by strikes, should be represented by a single committee. The companies affected are Babcock-Wilcox & Goldie-McCulloch, Galt Malleable Iron, Canada Machinery Corp., Whitehall Machine & Tools, R. McDougall Co., Shurly-Dietrich-Atkins, Galt Brass and Galt Metal Industries.

At Galt, strikes were called with what appears to have been only limited success by the USWA following a hearing before a board of conciliation headed by Judge James Parker. The unions sought union recognition and collective bargaining rights and called the strike because of what the union alleged was undue delay in getting a report from the board. The report recommended that the union be recognized as sole collective bargaining agent in three of the plants but not in the other five. At latest reports about 700 men of 1,800 in the plants involved were on strike.

Now it appears the Galt strike situation may be one of the first to come before the new Ontario Labor Court when it is constituted shortly.

There has been no slowing down in the flow of petitions coming to the Ontario regional labor board, The Financial Post is told.

OUR *Fighting* WORKERS Give Wings To Victory

Workers and management, heroically speeding up the number of bombers, fighters and pursuit planes, are playing their part in the battle of production to bring victory. May the flow of war machines keep ever mounting until the United Nations have achieved victory. Through hundreds of branches across Canada the Bank of Montreal is co-operating with war-time workers and industries.

BANK OF MONTREAL

"A Bank Where Small Accounts Are Welcome"

Modern, Experienced Banking Service . . the Outcome of 125 Years' Successful Operation

A 17

Misunderstanding Starts Newsprint Cut Rumor

MONTREAL.—Holders of newsprint securities received a jar this week in the report from New York that Canadian newsprint manufacturers had been ordered by the authorities to reduce their export shipments by 12%. No such order has been issued, The Financial Post learns.

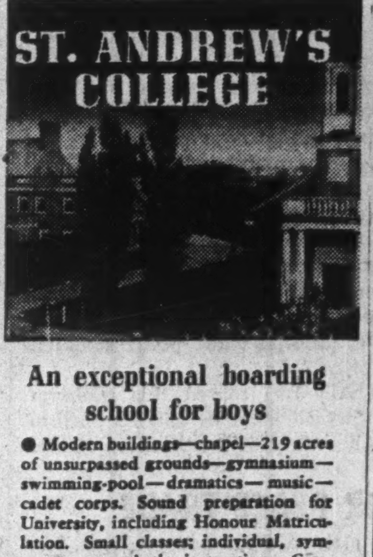
What actually has happened is somewhat different. Late last month the newsprint industry was informed by H. J. Symington, Power Controller, that power taken away from the industry would be returned on June 1, at least as far as the Quebec operators were concerned.

When June 1 came around it was found that extraordinarily high water conditions in both the Saguenay and St. Maurice Valley made it impossible to carry out the original plan.

This is only a temporary condition, but it was necessary to inform certain manufacturers that they would have to reduce their planned production by 12%. This situation is only temporary and within a few days it is anticipated the Power Controller will be in a position to order the return of all power to the newsprint industry.

SCHOOLS AND COLLEGES

ST. ANDREW'S COLLEGE



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A thorough training is given in all the elements of good citizenship.

During the past eight years thirty-three University Scholarships have been won by boys from this school.

All senior school boys belong to the Cadet Corps and attend classes in military studies.

Applications for entry should be made before the end of July; in past years many applications have had to be refused because of lack of accommodation.

MICHAELMAS TERM BEGINS ON SEPT. 15TH.

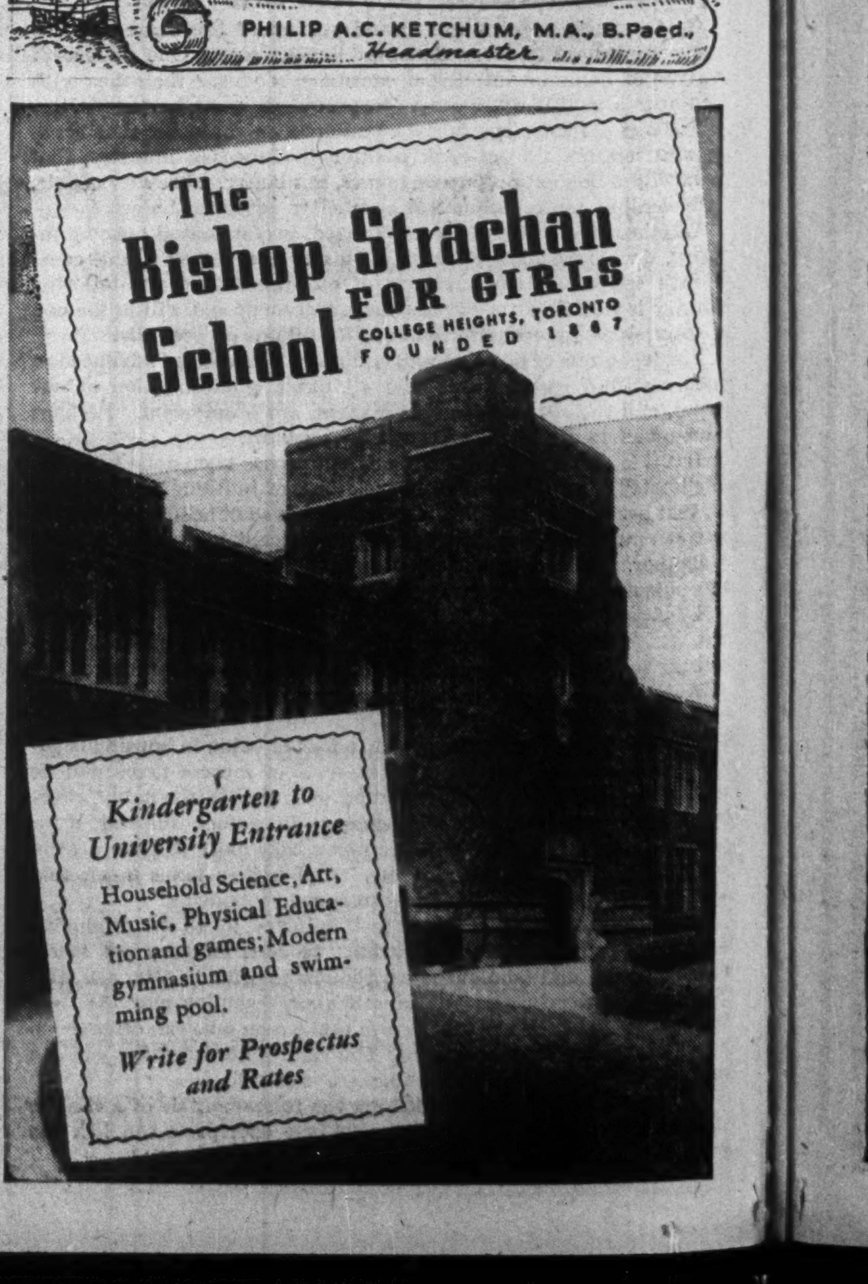
Full information will be gladly sent on request to the Headmaster.

Tradition and Progress

PHILIP A.C. KETCHUM, M.A., B.Paed., *Headmaster*

The Bishop Strachan School FOR GIRLS

COLLEGE HEIGHTS, TORONTO FOUNDED 1867



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Household Science, Art, Music, Physical Education and games; Modern gymnasium and swimming pool.

Write for Prospectus and Rates

Brazilian Traction

Brazilian Industry Expands

May Launch Aluminum Industry in Sao Paulo

What has been behind the sharply improved market performance of Brazilian Traction shares this year was made clear this week with publication of the annual report for 1942. Most significant fact—that Brazilian's increased earning power has stemmed from growth in its physical services as well as from the previously known improvement in Brazil's foreign trade and exchange position.

Except for gas sales, which had to be rationed owing to fuel shortages and so dropped 10.5%, all four major divisions of service showed expansion. Number of telephones in service rose 7%; sales of electrical energy advanced 8.5%; there were approximately 8.5% more passengers carried on the traction services.

Second Highest

Combined effect of these improvements was to push the net profit available for dividends to the second highest figure in the company's history—$16,066,090, as compared with $16.8 millions in 1929.

President Sir Herbert Couzens states that a second tunnel for the Serra do Cubatao development, serving the Sao Paulo system, is being proceeded with, and is hoped to be completed before the dry season of 1944. It will add 55,000 kw. to the capacity of the plant.

Modernization of the Lages plant (serving the Rio system) is continuing satisfactorily and will include doubling the height of the Lages dam for an increase of 250% in the water stored and a gain of 152,000 to 194,800 kw. in plant capacity.

Further extensions were made to the distribution systems, and Sir Herbert highlighted two new and important contracts for the supply of electrical energy. First is for the new steel mill at Volta Redonda in the State of Rio de Janeiro which was signed last June 19. Second is for the electrification of a portion of the Sorocabana Railway in the State of Sao Paulo.

Aluminum Industry

Other industries, specifically the textile, served by the company continued to operate at a high level, but perhaps the most significant industrial possibility, both for Brazil and for Traction is the reference to a discussion on the development of an aluminum industry. Says Sir Herbert:

"Discussions took place during the year, and are continuing, regarding the establishment of works for the production of aluminum in the area served by the Sao Paulo companies. This is regarded by the authorities as a factor in the war effort and a key industry, ranking in importance with the steel mills now in course of construction at Volta Redonda. The whole matter hinges on the question of importation of the necessary materials and machinery; bauxite of good grade being available in large quantities at convenient points."

Significance for Brazilian Traction of such a development needs little amplification. Aluminum is one of the largest industrial consumers of electrical energy.

Tram Revision

In tramways, says Sir Herbert, a decree has been issued authorizing contract revision in the Federal District. Revision will take considerable time, he expects, can only become effective when conditions return to normal. Meanwhile wages were increased, with a compensating increase in certain fare rates. As in the northern hemisphere, the gasoline shortage has increased tram travel.

Sales of gas have been rationed with a target set at 80% of normal. Reduced output, which was only in effect for part of the year, will continue to have important effects on the revenue of the company, directly and from the reduction in sales of by-products. Relief from the higher price of fuels has been secured in Rio by an adjustment of rates, but in Sao Paulo and Santos the adjustment has not yet been effected, despite repeated representations.

Secretary D. H. Cromar, presenting the financial statements, states that the previously reported difference on taxation was amicably settled last Jan. 5, for an amount equivalent to $5.4 millions (U. S.). Earnings figures follow:

Consol. Income and Surplus Years Ended Dec. 31

	1942 $	1941 $
Gross earns.	46,570,250	42,770,608
Misc. rev. (oper. cos.)	1,270,243	655,48[illegible]
Total rev. (op. cos.)	47,840,493	43,426,096
Less: Oper. exps.	21,710,503	19,736,95[illegible]
Depr. & renewals	6,839,512	7,197,250
Bond interest	1,337,610	1,343,711
Sink. funds, etc.	603,852	624,385
Amortization	700,000	700,000
Bal. to Braz. Tr.	16,449,016	13,623,79[illegible]
Int. on invests.	104,206	76,549
Misc. income	75,244	29,2[illegible]
Gross revenue	16,628,466	13,729,616
General exps.	262,376	280,93[illegible]
General amort.	300,000	300,000
Net revenue	16,066,090	13,148,684
Less: Pref. divds.	21,480	21,480
Com. divds.	6,394,049	2,557,596
Surp. for year	9,650,561	10,569,600
Add: Prev. surp.	44,814,369	34,244,763
Less: Tr. to gen. res.	35,000,000	......
Earned surp. fwd.	19,464,930	44,814,369
Earned per Share:		
Common	$2.28	$1.87
Paid	1.00	0.40
Working capital	42,531,718	33,768,650

Balance Sheet Changes

	$	$
Cash	30,363,844	33,884,709
Investments	9,489,972	4,137,320
Funded debt	28,134,712	29,438,874

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

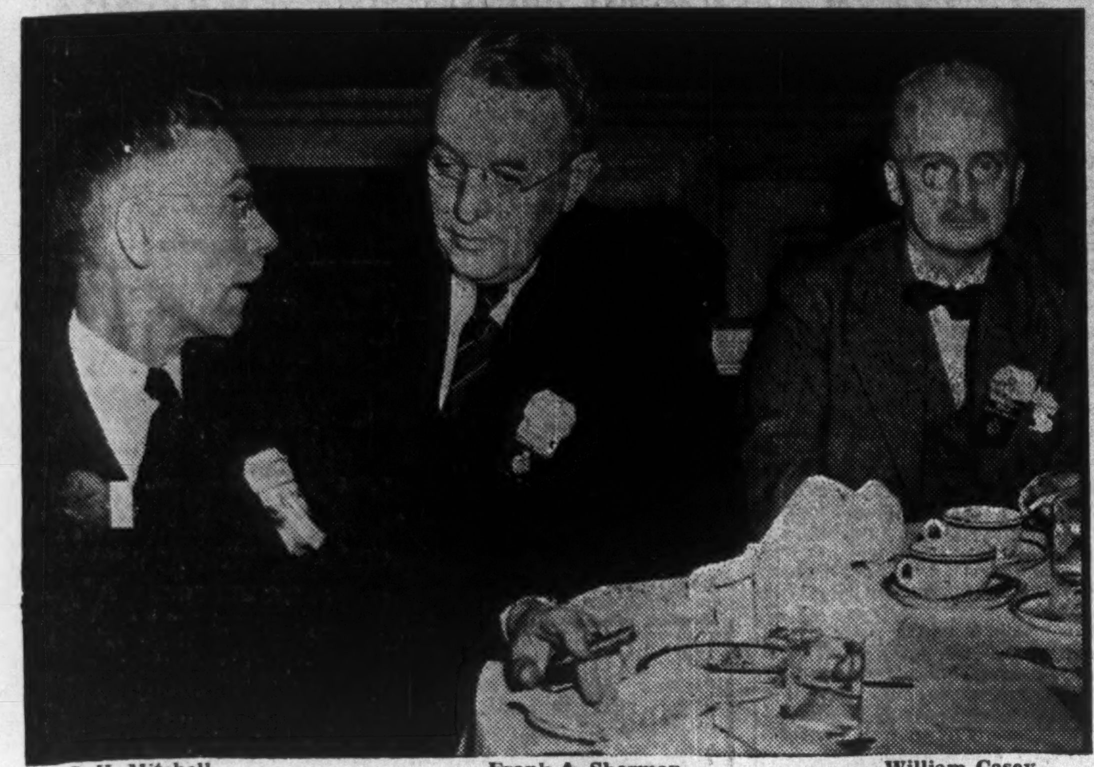
Provincial—	Date Issued	—Sold to—	Rate	Due	Amount	Price	Yield
Manitoba	May	Privately	2¾%	5-yr.	$1,185,000	.....	.....
Payable in U. S. funds.							

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

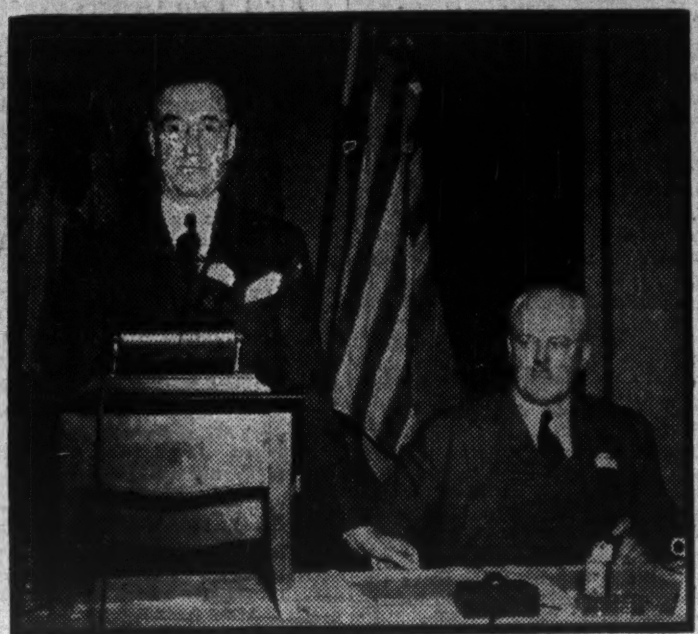
Bond Issues—	Date Issued	—Offered by—	Rate	Due	Amount	Price	Yield
Gatineau Power	June	Privately	3¾%	1944-48	$3,000,000	101.50	.....

The Financial Post Visits Canadian Manufacturers' Association Convention and Photographs—

Industrialists Discuss Questions Vital for Now and After the War



C. H. Mitchell (Can. Westinghouse) — Frank A. Sherman (Dom. Foundries & Steel) — William Casey (Canadian Locomotive)



Pres. Louis L. Lang — Pres.-Elect F. P. L. Lane

Dent Smith (Terminal Warehouses) — C. V. Banks (Harding Carpets) — Col. J. B. Maclean (MacLean Publishing Co.) — Harold Crabtree (Howard Smith Paper)

Business Problems Aired At CMA Annual Meeting

Planning held the centre of the stage as members of the Canadian Manufacturers' Association held their three-day annual meeting in Toronto this week. Following are summaries of some of the addresses.

* * *

Frederick P. L. Lane

Vice-president of Imperial Tobacco Co. of Canada and new president of the Canadian Manufacturers Association.

Adoption by Canada of the United Kingdom practice in respect to excess profit taxes would be a "simple and effective remedy" for certain objections raised to provisions for inventory losses and unforeseen contingencies, F. P. L. Lane, new president of the Canadian Manufacturers Association, stated.

This would mean a refund would be made from taxes paid in the two preceding years to make up the deficiency in the current year's standard income. In effect, it would mean averaging earnings of the current year with those of the two preceding years for EPT purposes. It would mean that no specific inventory loss reserves would be required because all losses take care of themselves through refunding of the tax.

Achieving the required postwar level of production, estimated at double pre-war levels, requires a substantial increase in working capital. Accumulation of any material amount of working capital under present conditions is impossible due to working of the prevailing tax schedule which does not permit industry to retain profits which would normally provide increased working capital.

Possibility of falling prices and obsolescence of war-inflated inventories is one of the greatest hazards to working capital for which no adequate provision is made in the EPT act, Mr. Lane says. Fact that EPT does offer some relief is evidence that taxing authorities and manufacturers are in agreement on principles and in complete disagreement as to remedies.

* * * *

Louis L. Lang

Retiring president of the Canadian Manufacturers' Association.

Postwar Canada will be neither wholly bureaucratic nor wholly free from government controls, but will follow "some middle course" satisfactory to a majority of Canadians, L. L. Lang, retiring president of the Canadian Manufacturers' Association, said.

"We have only to imagine what would happen if the war stopped now and all government activities and controls were abolished and people and conditions permitted to take their courses and find their levels," said Mr. Lang, "to realize it would produce chaotic conditions that might bring very serious consequences."

"As usual in British countries and the United States," he said, "some middle course will be discovered and followed."

If this is done, Mr. Lang declared, we shall avoid the wild buying spree and succeeding depression that followed the last war. He added however that adjustment from war to peace will be difficult but that "in spite of all difficulties, postwar problems must be solved."

Admitting that the system of private enterprise and individual initiative is not perfect, Mr. Lang declared that "the great majority of Canadians will resist proposals to transfer ownership and control of farms, homes, factories and other private properties to the state. They are opposed to attempts to bribe groups of citizens by political concessions. They believe that Canadians should think and act as Canadians and not as members of groups with special interests to serve."

W. E. Ross

Manager for Apparatus Sales, Canadian General Electric Co.

Solution of most postwar problems will be found in "a well prepared program to enable us to return to full production," W. E. Ross told CMA members at their postwar planning conference. From an individual company viewpoint, said Mr. Ross, such problems may be summed up in the question:

"What should we do to provide gainful and steady employment for the maximum number of our employees?"

To find an answer to the question, Canadian General Electric Co. has appointed a special planning committee of keymen in its manufacturing, engineering and commercial departments. Its work will be to study reports from subcommitees on products, sales, engineering developments and manufacturing, then proceed to formulate a company plan for postwar operations.

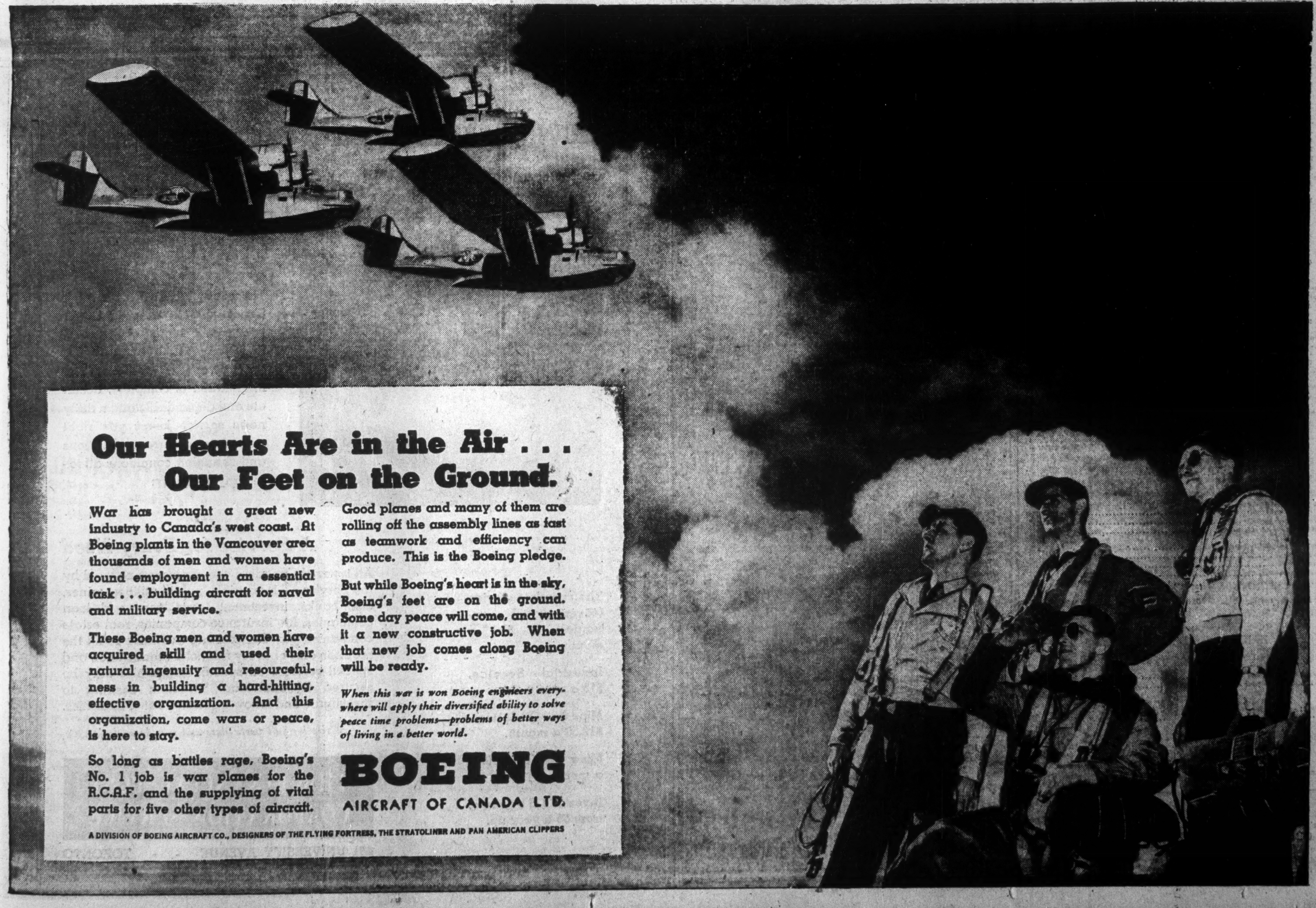
Observing that "there are some who would have us believe that no serious planning can be done until someone with authority tells us just what kind of a world we shall have in the postwar period," Mr. Ross said he preferred to believe that "we should acknowledge that nobody knows what kind of a world we may have, but that an analysis of past performance, together with a study of probabilities and certain well defined trends now evident will give sufficient data on which to base some plans." These, he said, may require some modification as more facts become available but "at least they will be better than no plan at all."

He warned, however, that in devoting thought to the future, "we must do so with due care so as to impose no hindrance on our responsibilities for production required directly or indirectly for successful prosecution of our war effort."

Hugh Crombie (Dominion Engineering) — C. C. Parkes (Montreal Light Heat & Power)

Mr. Ross listed the following as factors which may shape conditions in Canada in the postwar period:

Gross national income and output; government policies on tariff and trade; taxation; working conditions; price and commodity controls; immigration; money and inflation; availability of capital, and government measures to promote reconstruction and re-establishment.



THE

WABASSO COTTON COMPANY

LIMITED

ANNUAL REPORT

DIRECTORS

C. R. WHITEHEAD, President
NORMAN J. DAWES, Vice-President
WM. HARTY HUGH MACKAY HON. LUCIEN MORAUD, K.C.
W. TAYLOR-BAILEY W. J. WHITEHEAD

Directors' Report to the Shareholders

Gentlemen:—

The financial position of your Company at 1st May, 1943, and the results from operations for the year ended that date are shown by the accompanying Balance Sheet, Profit & Loss and Surplus Accounts.

Profits for the year amounted to $320,208.20, after providing for depreciation and reserve for Government taxes and compares with profits last year of $749,988.23. The effect of the "price ceiling" policy of The Wartime Prices and Trade Board is reflected in the earnings of the Company. There was no subsidy adjustment payable by the Commodity Prices Stabilization Corporation Limited during the year.

In order to make provision for expenditures which may have to be made in the future for plant improvements, research and contingencies, your Directors have deemed it advisable to transfer from Surplus Account the sum of one million dollars.

Your Directors regret to report the death, on August 29th last, of Mr. Hugh Mackay, K.C. He was elected to the Board in 1919 and to the Executive Committee in 1920 and became Chairman of the Executive Committee in 1937 and Vice-President in 1939, succeeding the late Mr. James W. Pyke. Mr. Mackay took a deep interest in all matters affecting your Company and gave unstintingly of his time and talents in the furtherance of its interests.

To fill the vacancies thus created, Mr. Norman J. Dawes was elected Vice-President and Chairman of the Executive Committee, Mr. W. Taylor-Bailey was elected to the Executive Committee and Mr. Hugh Mackay, of Rothesay, N.B., was elected a Director.

Your Directors wish to express their appreciation of the loyal support and co-operative effort of the officers and employees in conducting the affairs of the Company.

Respectfully submitted on behalf of the Directors.

(Signed) C. R. WHITEHEAD, President.

Three Rivers, Que., 25th May, 1943.

BALANCE SHEET

As at 1st May, 1943

ASSETS

Current Assets:—			
Cash on Hand and in Bank		$ 156,104.96	
Dominion of Canada and Provincial Bonds with interest accrued—less reserve		1,821,844.26	
(Approximate Market Value $1,923,496.76)			
Accounts and Bills Receivable—less Reserves		595,199.52	
Inventories as determined and certified by the Management—Raw Cotton, partly manufactured and manufactured stock, at cost or market value whichever was the lower, less Reserves, Supplies and Chemicals at average cost and not over replacement value		941,891.55	$3,515,040.29
Funds Deposited with Trustee for Bondholders			14,000.00
Property:—			
Real Estate, Buildings, Plant, Machinery, etc. at cost, less amounts written off		10,417,588.56	
Less: Reserve for Depreciation		6,577,694.12	3,839,894.44
Investments—			
Wholly Owned Subsidiary Companies		222,160.26	
Bonds and Common Stocks of Canadian Companies with interest accrued		38,822.41	
(Approximate Market Value $40,582.18)			
Sundry Non-Marketable Investments		2,400.00	263,382.67
Deferred Assets:—			
Unexpired Insurance, Prepaid Taxes, etc.		59,672.41	
Refundable Portion of Excess Profits Tax		67,664.00	127,336.41
			$7,759,653.81

LIABILITIES

Current Liabilities:—			
Accounts and Bills payable		$ 410,844.38	
Operating Expenses and Accrued Wages		77,121.22	
Provision for Government and Municipal Taxes		443,113.81	
Bond Interest Accrued		19,506.85	
4% First Mortgage Bonds due 1st February 1944		175,000.00	$1,125,586.76
First Mortgage Bonds:—			
Authorized	$4,400,000.00		
Issued: Series "A" 4% Serial Bonds dated 1st February, 1936 — maturing $175,000.00 in each of the fifth to twelfth years	1,400,000.00		
Less: Bonds matured and maturing 1st February, 1944	700,000.00	700,000.00	
4½% Fifteen Year Bonds dated 1st February, 1936		1,000,000.00	1,700,000.00
Reserve for Research, Plant Improvements and contingencies			1,000,000.00
Capital Stock:—			
Authorized:— 105,000 Shares of No Par Value.			
Issued:— 69,903 Shares fully paid			2,000,000.00
Refundable Portion of Excess Profits Tax			67,664.00
Earned Surplus:—			
General Reserve		500,000.00	
Balance at 1st May, 1943		1,366,403.05	1,866,403.05
			$7,759,653.81

(Signed) { C. R. WHITEHEAD, Director. NORMAN J. DAWES, Director.

Montreal, 25th May, 1943.

Verified as per our Report of this date.

(Signed) RIDDELL, STEAD, GRAHAM & HUTCHISON, Chartered Accountants, Auditors.

PROFIT AND LOSS ACCOUNT

For the Year Ended 1st May, 1943

Net Profit for the year ended 1st May, 1943 before providing for the undernoted items		$1,590,034.43
Revenue from Investments		65,875.99*
Profit on Investments Sold		25,617.84
		$1,681,528.26
Depreciation on Property and Plant	$492,685.26	
Bond Interest	85,054.80	
Directors' Fees	6,693.33	
Executive Salaries	38,712.41	
Provision for Government Taxes	738,174.26	1,361,320.06
Net Profit for the Year Transferred to Surplus Account		$ 320,208.20

EARNED SURPLUS ACCOUNT

As at 1st May, 1943

Balance at Credit 2nd May, 1942		$2,325,806.85
Net Profit for the year ended 1st May, 1943		320,208.20
		2,646,015.05
Deduct: — Transfer to Reserve for Research, Plant Improvements and Contingencies	$1,000,000.00	
Dividends Paid	279,612.00	1,279,612.00
		$1,366,403.05

Canadian Wirebound Boxes Ltd. has declared the regular quarterly dividend of 37½c per share payable July 1 to shareholders of record June 11, ex-dividend June 10, but has omitted the usual extra of 12½c. Officials state the omission of the extra payment on arrears is temporary, designed to conserve working capital. In the past two years, it is stated, the company has incurred additional expenses in rehabilitating plants and extending facilities.

Authority Decentralized In Food Administration

Kenneth Taylor Becomes Full-fledged Co-ordinator With Three Deputies; New Division Has Charge of Requirements and Distribution

From Our Own Correspondent

OTTAWA.—Reshuffling of jobs in the Food Administration of WPTB is in line with Co-ordinator Kenneth Taylor's policy of decentralizing authority as much as possible under individual administrators. Mr. Taylor himself now becomes a full-fledged "co-ordinator" in name as well as in fact. Under him are three deputies with the following duties:

F. S. Grisdale: Deputy Co-ordinator in charge of the Primary Products Division. Mr. Grisdale will also be Administrator of Meat and Meat Products for WPTB.

J. J. Page: Deputy Co-ordinator in charge of Manufactured and Processed Foods Division. Mr. Page will also continue as Administrator for Flour and Cereal products.

E. J. Jordan: Deputy Co-ordinator of Requirements and Allocations Division.

Mr. Jordan's division is a new one in charge of over-all planning of food requirements and distribution. Associated with him will be Miss Anna Speers, Director of Nutrition Requirements and Food Information, and W. E. Sutton, Director of Allocation.

Five Administrations

Five food administrations: sugar, oils and fats, tobacco, alcoholic beverages, drugs and pharmaceuticals will report directly to the coordinator.

Under the Primary Products Division, the Dairy Products section has been raised to the status of an administration with K. H. Olive as Administrator and J. P. Nadeau as Deputy Administrator.

The Administration of Fresh Fruits and Vegetables will, for the present, be handled by E. J. Chambers, who has been Director of Fresh Fruits and Vegetables (western Canada) since Dec., 1941. Associated with Mr. Chambers will be J. B. Lander on temporary loan from Canadian Fruit Distributors Ltd., Regina, acting as special adviser.

F. T. W. Saunders, formerly director, has been appointed Administrator of Cocoa, Confectionery and Allied Products. A number of miscellaneous processed foods will also be under Mr. Saunders' jurisdiction. A. S. May, formerly Director of Grocery Imports, has been named Administrator of Imported Grocery Items. Both Mr. Saunders and Mr. May have offices established in the Metropolitan Building, Toronto.

Unchanged in their present positions are: A. N. McLean, Administrator of Fish and Fish Products; F. D. Mathers, Administrator of Processed Fruits and Vegetables; Dr. G. E. Britnell, Economic Adviser, and Clive Planta, secretary to the administration.

Investment Notes

Mexican Light & Power Co. is making a payment of 13¾% on its 5% second mortgage bonds and debenture stock on July 1, 1943. It is stated this payment will be the full amount of the unpaid accumulation of interest to Dec. 1, 1942.

* * *

Northern Canadian Mortgage Co. reports a net profit of $8,980 for the year ended March 31, 1943 against $5,931 the year before. As a result of the improvement, the company was able to pay 50 cents on the cumulative preferred in contrast to 25 cents the year before. George W. Northwood, president, reports that during the year the company obtained the management of a number of properties independent of those it owns. This is stated to have proved a substantial source of additional income.

* * *

Borrowings of Toronto Stock Exchange members as of May 31, 1943 totalled $7,818,589, an increase of $997,854 over April and compares with $8,613,152 in May of 1942. At the same time, quoted market value of all listed stocks as at May 31, amounted to $4,434,628,034, an increase of $125,936,262 over April and up $1,145,566,144 from a year ago. Ratio of borrowings to quoted market values amounted to 0.18 of 1% compared with 0.16 of 1% in April and 0.26 of 1% a year ago.

* * *

Quoted market value of all stocks listed on the Toronto Stock Exchange rose during the month of May to a new high record since April, 1940, according to T. A. Richardson, President of the Exchange. The quoted market value as at May 31 was $4,434,628,034, an increase of $126 millions during the month and a gain of $1,145,566,144 as compared with May 31, 1942.

Average price of industrial and general stocks at $19.08 is up $5.26 a share for the year while average of the mines at $2.81 shows a gain of 60 cents,

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
(Base 1935-39=100)												
*1935 to date:												
High	134.5	234.4	149.7	123.7	135.7	118.3	131.8	153.4	146.8	118.2	145.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	68.7	60.2	69.0	65.2	61.1
1943: Monthly Figures:												
Jan.	90.3	75.3	82.4	62.9	114.3	88.2	109.7	84.0	88.5	76.7	90.0	76.3
Feb.	94.0	75.8	88.3	67.2	117.4	88.1	111.8	85.0	88.0	78.6	88.0	78.7
Mar.	96.7	77.1	89.5	65.6	118.1	81.6	113.9	85.3	88.6	80.2	92.1	79.1
April	100.8	79.6	93.3	67.7	121.1	87.4	128.2	89.5	95.8	80.9	101.4	82.6
1943: Weekly Figures:												
May 6	101.7	89.2	91.5	67.9	119.2	89.8	129.6	91.8	98.3	80.5	105.4	83.9
May 13	101.6	85.9	89.8	66.6	119.6	89.1	125.8	90.0	99.6	80.1	105.1	82.8
May 20	103.2	87.6	90.9	67.7	119.0	88.8	125.8	90.5	100.2	80.5	105.1	83.0
May 27	105.4	87.2	91.3	68.1	119.4	87.9	129.4	91.2	101.4	80.7	106.6	83.9
June 3	108.0	96.5	94.3	69.1	122.2	87.7	130.1	93.3	105.4	80.7	108.8	84.8

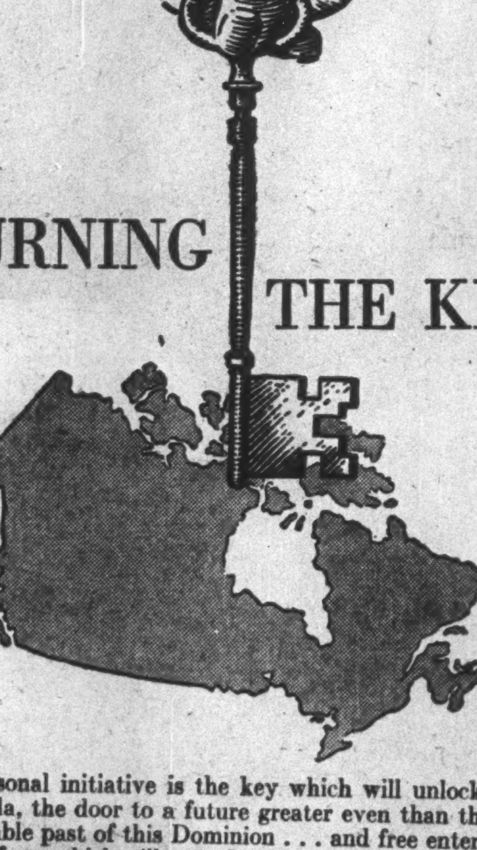
*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
June 8	117.89	84.29	73.23	25.58
June 7	118.85	84.37	73.26	25.29
June 5	118.07	83.53	73.12	25.05
June 4	117.72	83.10	73.05	24.92
June 3	117.26	83.18	72.87	24.19
June 2	117.35	82.70	73.00	23.88
Month ago	113.60	82.21	72.97	22.99
Year ago	86.73	72.37	63.58	16.58
High 1943	118.85	87.04	73.98	25.58
Low 1943	98.88	70.64	63.57	18.14

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Chd.	10 Pprs.	15 Golds
June 8	61.4	78.1	72.5	104.37	62.11
June 7	61.4	78.5	72.8	108.65	61.71
June 5	61.0	78.6	72.7	111.63	61.58
June 4	60.8	78.2	72.4	111.09	61.58
June 3	60.5	78.0	72.2	111.39	61.37
June 2	60.3	77.6	71.8	104.80	61.03
Month ago	58.4	74.5	69.2	94.91	60.14
Year ago	43.3	57.3	52.6	59.32	45.86
High 1943	61.4	78.6	72.8	111.63	66.68
Low 1943	51.8	63.4	59.5	74.07	49.15



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Next Transfer Order Ready

Announcement Awaits Measure of Results of First Two Orders

From Our Own Correspondent

OTTAWA.—No definite date has been set for introduction of the third compulsory transfer order by National Selective Service, The Financial Post is informed. The order is ready but will not be proclaimed until it is seen what progress is made by local and regional offices in handling men under the two earlier orders.

The number of men to be affected by the third order is expected to be approximately the same as the number covered by Order No. 2. At the time the second order was issued it was indicated that there might be about 150,000 men employed in retail establishments covered by the order.

Some 1,000 men have been moved into more essential employment under the first two orders. Most of these are under the first order. This represents about 10% of the number who have registered.

West Can. Hydro Has Financing

New Bond Issue to Retire Subsidiary Bonds and Bank Loans

From Our Own Correspondent

VANCOUVER.—Pemberton & Son, Vancouver, recently undertook the first financing of West Canadian Hydro Electric Corp., on first mortgage bonds since 1930 when it offered $450,000 of 4½% bonds at par.

In addition to supplying funds for redeeming all the $204,500 remaining 4½% debentures of Okanagan Telephone Co., the proceeds of the new issue will make it possible to retire a 5% bank loan incurred to cover the cost of new construction last year, the balance will finance remaining expenditures associated with the construction program undertaken for war purposes.

When the present refinancing has been completed, the total funded debt of the utility corporation will be $2.5 million, of which $1.2 million is payable in U. S. and the balance in Canadian funds.

Earnings of West Canadian Hydro Corp. for the 12 months ended Feb. 28, 1943, show interest charges on the first mortgage bonds, including those now being issued, to be covered 2.8 times before depreciation and 2.1 times after depreciation.

Company Reports

Wabasso Cotton

Reflecting the effects of the price ceiling on operations, profits of Wabasso Cotton Co. in the year ended May 1, 1943, were off sharply compared with the preceding 12 months. Operating profit was down nearly 50%, while net income was equivalent to $4.58 a share, compared with $10.73 the year before. The figure for last year is exclusive of the refundable portion of the tax which amounted to 97c. a share.

Featuring the balance sheet were a substantial reduction in cash and government bond holdings and the creation of a $1 million reserve for research, plant improvements and other contingencies.

Income and Surplus Account

	Year Ended May 1/43	Year Ended May 2/42
Operating profit	$1,590,034	$2,930,339
Add: Inv. income	*91,494	55,473
Total income	1,681,528	2,985,813
Less: Deprec.	492,685	549,243
Bond interest	85,055	92,016
Directors' fees	6,693	6,760
Legal fees	......	13,411
Exec. salaries	38,712	38,695
Tax provision	†738,174	1,535,698
Net profit	320,208	749,988
Less: Divds.	279,612	209,709
Surp. for year	40,596	540,279
Add: Prev. surp.	2,325,807	1,785,527
Less: Res. for conting.	1,000,000	......
Surp. forward	1,366,403	2,325,807

*Includes $25,618 profit on investments sold.
†Refundable portion $67,664.

Earned per Share	$4.58	$10.73
Working Capital	$2,389,453	$2,341,372

Balance Sheet Changes

Cash	$156,105	$439,622
Govt. bonds	1,821,844	2,093,410
Accts. rec.	595,200	849,519
Inventory	941,891	955,447
Funded debt	1,700,000	1,875,000

Goderich Elevator

Grain receipts of the Goderich Elevator & Transit Co., Ltd., Goderich, totalled 13,988,261 bushels for the navigable season, states G. L. Parsons, president, in the report for the year ended March 31, 1943.

Receipts were approximately two thirds the quantity received for 1941. Lack of Canadian lake tonnage for grain, due to ore priorities, and heavy demand for canal-sized vessels at eastern river and coastwise routes retarded shipment.

Shortage of skilled and common labor caused an increase in operating costs, Mr. Parsons declares. Under order of the Oil Controller, the company reverted to coal firing, necessitating purchase of equipment at a cost of $10,859.

The company's usual schedule of winter repairs and improvement of mechanical equipment was maintained.

Mr. Parsons sees good prospects for heavy grain movements in the 1943 season, since government demand for shipment of bulk wheat has increased and flour mills and feedmen have greater obligation for war output than last year. The late opening of lake navigation slowed shipments to the east but Mr. Parsons states that the company is quickly reaching the equivalent of last year's receipts to June 15.

Income, Surplus—Years Ended March 31

	1943	1942
Operating revenue	$304,000	$331,204
Misc. income	8,755	6,924
Total income	312,755	338,128
Less: Oper. exp.	105,711	95,260
Adm. expenses	32,082	29,215
Life ins. expenses	813	800
Deprec., amort.	29,338	28,987
Income, E.P. Taxes	75,000	108,000
Net profit	69,871	75,865
Less: Dividends	63,004	63,004
Surplus on year	6,807	12,861
Add: Previous surp.	106,289	93,428
Refund. E.P. tax	3,700	......
Tax adjust.	68,551	......
	185,347	106,289
Earned per share:	$0.83	$0.90
Paid	.75	.75
Working capital	$278,594	$180,278

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Canada Northern Power Income Trend Down

Trend of earnings for Canada Northern Power Corp. continues to show no change, gross income in April at $357,399 being $24,868 less than the same month last year. A small reduction in expenses was effected, but net earnings of $208,035 were off $23,161.

April	1943	1942
Gross Revenue	$357,399	$382,267
Oper. expenses	149,364	151,071
Net earnings	208,035	231,196
Four Months Ended April		
Gross revenue	$1,450,435	$1,547,377
Oper. expenses	585,943	601,595
Net earnings	864,492	945,782

Note:—Operating expenses do not include income and excess profits taxes.

Power Corp. Group Has Higher Output

Power Corp. of Canada's controlled and affiliated companies report a power output in April totalled 245.4 million kw.h., as compared with 233.8 million kw.h. for the same month last year, a gain of 4.97%.

Comparative figures on output of the individual companies follows:

April	1943	1942
B. C. Power	64,779,930	57,860,860
Canada Northern Pwr.	48,623,649	53,375,536
East Kootenay	9,888,500	11,861,238
Northern B. C. Pwr.	1,797,918	1,482,120
Southern Canada Pr.	26,856,540	28,216,760
Winnipeg Electric	93,442,800	80,983,400
	245,389,337	233,779,904

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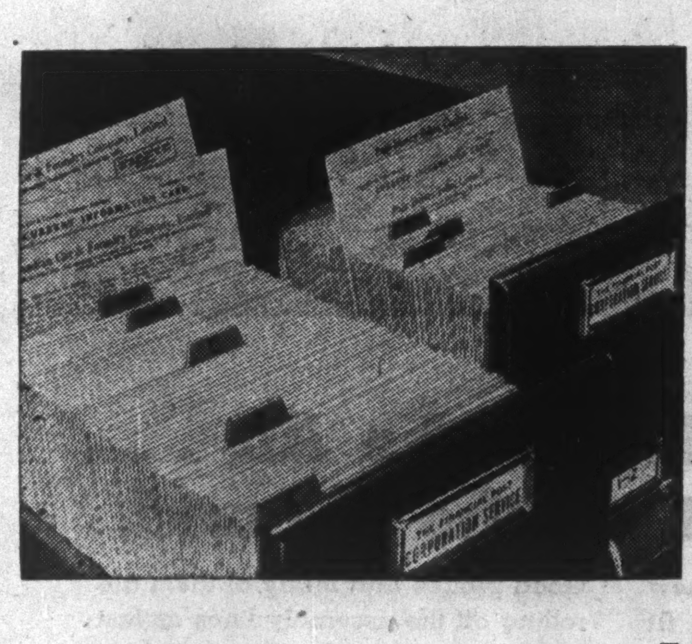

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Labor Relations

What are the Catholic Unions?

Syndicate Accepts All Faiths But Has Close Church Ties

By JOHN E. LANGDON

The full meaning of Quebec's labor legislation came out in the recent strike at the plants of Price Bros. and Co., when the National Catholic Syndicate union endeavored to have itself appointed sole bargaining agent on the grounds that it represented the majority of workers. The company refused as it already had an agreement with an AF of L union.

A serious stalemate developed and the Provincial Government, in backing up its own legislation, enforced a decision favoring the Syndicate.

The AF of L union opposed the decision and its members refused to return to work. As these members are skilled, key workers, operations could not be resumed at the mills.

Gives New Interpretation

Following this contretemps, the Quebec Government amended its legislation by passing Order-in-Council No. 1012, on April 14 last. This order, directed specifically to pulp and paper companies, provided that in a case where one or more unions represented the men, the company had to negotiate simultaneously with them. In the event of a disagreement, the matter was to be submitted to arbitration under the Quebec Disputes Act.

This highly significant order sets a precedent which may have an important bearing on the interpretation of Quebec labor legislation.

The attitude of those interested in the National Catholic Syndicate unions is that they have no desire to "freeze out" other unions. At the same time they want to have the right to negotiate on behalf of their own members.

The Syndicate unions are learning fast. They still lack the finesse of the more powerful international groups. The AF of L and the CIO unions have been crowding them on occasion, but as a labor organization peculiarly fitted to Quebec's national concepts and religious background, it is expected that the National Catholic Syndicate unions will be able to hold their own.

Nearly 50,000 Members

The Syndicate is not a newcomer to the field of unionism in Canada. Established in 1901, it has grown steadily and today numbers close to 50,000 members in 186 locals or syndicates collectively known as the Confederation of Catholic Workers in Canada.

It is generally believed that the National Catholic Syndicate unions are a labor-religious movement. This is not strictly the case. The syndicate is a professional labor movement open to any worker irrespective of his racial origin or religious faith, it declares. But because its operations are confined largely to the Province of Quebec, it follows that the majority of syndicate members are French Canadians of the Catholic faith.

The plan of organization of these unions is based on the principle of craft unionism.

Follow Pope's Encyclical

Up to 1902, the time of the expulsion by the Trades and Labor Congress of Canada of those bodies which were outside the ranks of the international organizations, there was only one Catholic Union.

In 1901, following the adjustment of a dispute in the shoe industry in Quebec City by the Archbishop of the Diocese, the union accepted the social doctrine of the Roman Catholic Church and admitted a chaplain as a non-voting member.

In subsequent years many other similar unions have been formed in Quebec, all of which accept for their guidance the declarations of Pope Leo XIII, who in 1891 issued an encyclical, De Rerum Novarum, on "The Conditions of the Working Classes."

The Catholic Syndicate unions of Quebec are neither A. F. of L. nor C.I.O. Numbering about 50,000 members, the unions are not restricted to Catholic members and their only direct connection with the Church is through the chaplains in the directorate. These do not vote but in practice have provided leadership to the unions where such has been lacking.

These principles later were proclaimed by Pope Pius X as fundamental rules for workingmen's associations and, in 1931, were further amplified by Pope Pius XI.

Relations With Church

The close association of the Church with the National Catholic Syndicate has given rise to certain assumptions which are not borne out by the facts, The Financial Post is informed.

The constitution of the Confederation, Federations and the local Syndicate unions, provides for the appointment of a chaplain, to be selected by the religious authorities.

The chaplain, who is a priest, does not vote. His function is to represent the Church among the Catholic syndicated members. He fills his mission when he asks the committee to make their resolutions and conduct conform to Catholic principles and doctrine.

Differs in Practice

Theoretically this is the beginning and the end of the chaplain's functions in respect to the Syndicate unions. In practice the chaplain is often brought by circumstance into taking a larger part in the affairs of the union than is set out in the constitution.

Probably the greatest weakness of the National Catholic syndicate unions is the lack of trained leaders. This is being overcome gradually through the training of men, appointment of business agents, etc. But in many cases the chaplains give leadership in trade unionism.

Provide Leadership

Some have and do take part in negotiation of agreements, though they do not sign a labor agreement with employers.

Some use their office to induce workers to join the syndicate unions. This is regarded as a perfectly proper and correct thing for them to do, though it has been criticized by French Canadians attached to international unions.

In effect the chaplains are often active in the direction of the union and formulation of policies. This situation, however, is not regarded as having any permanency, because labor leaders are developing.

It should be repeated at this stage that the National Catholic Syndicate unions are professional labor organizations; the function of the chaplains appointed by the church authorities is simply to see that the social doctrine of the Roman Catholic church is adhered to by the Catholic workers belonging to the union.

Have 12 Federations

Like the non-sectarian trade unions, the National Catholic Unions have established federations—12 in all. In the larger cities and in some smaller localities of Quebec, central councils, somewhat similar to the trades and labor councils of non-sectarian movements, also have been established.

The first of these secretariats was established in Quebec City in 1920. Others are established in Montreal, Three Rivers, Chicoutimi, Sherbrooke, St. Hyacinthe, the District of Ottawa, Victoriaville and Sorel.

Out of these federations has grown the Confederation of Catholic Workers of Canada which was formed in 1921.

The Syndicates are non-political, the constitution prohibiting affiliation with any political party whatever.

Have Legal Identity

They also are legally constituted trade bodies. In this respect they differ from the AF of L and CIO unions. Their incorporation was suggested in the first place by the church authorities, who took the stand that the Syndicate should assume responsibility for its acts.

There are several other small but interesting features of these syndicates which are necessary to an understanding of the broader and more detailed references to the relations with the church, on which point there appears to be considerable confusion.

Basis of Fees

The fees paid by members of the syndicate average about $1 a month, ranging down to 50 cents per month for apprentices. In certain of the unions, where the worker is highly skilled and well paid, the fee may run as high as $2.50 a month, but that sum usually includes insurance benefits.

Few of the unions have death and sickness benefits. In the case of the pulp and paper union, one of the larger and more aggressive of the Syndicates, a wide coverage is provided for its members.

At this time a plan is being worked on to provide for benefits and insurance to cover members of all Syndicate unions. In its final form this will likely be applied through the Confederation.

The financial statements of the unions are not made public. On the other hand reports are submitted to the delegates at the annual convention.

The word "Catholic" in the corporate title of the Syndicate has been both a benefit and a handicap. The unions are under no compulsion to retain this name. In fact, the pulp and paper union recently dropped the word "Catholic" and now calls itself a National Union. There is a possibility that the syndicate union at Arvida will do likewise.

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Tenders For Debentures

The Town of Prescott, Ontario, invites Tenders for the purchase of $29,500.00 — 10 year — 3½% — Serial Debentures to be dated June 15th, 1943.

Principal and Interest payable at Bank of Montreal, Prescott, Ont., on June 15th each year.

Debentures will be Coupon bearer form in denominations of from $2,514.62 to $3,427.17, with privilege of registration of Principal.

Approval of Ontario Municipal Board, Toronto, has been received for above issue.

Payment for Debentures to be in Prescott, Ont., funds.

Sealed Tenders marked "Tender for Debentures" will be received by the undersigned up to FIVE o'clock p. m., Tuesday, June 15th, 1943.

W. J. RANSON,
Town Clerk.

Prescott, June 2nd, 1943.

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More Uniform Protection Soldier's Rights Sought

With approximately 700,000 men in the armed forces of Canada, announcement that the Dominion Government is considering measures to protect their civil property and interests has aroused wide attention.

Many of the men are married and have extensive obligations in life insurance premiums, mortgage payments, etc. In many cases, service pay is less than their civilian income, with the result that they are often unable to meet payments as they come due.

Already some action has been taken to prevent them losing their homes through default on mortgage payments. But legislation has varied in different provinces and it is felt greater uniformity is desirable.

Serviceman's Moratorium

In most provinces, a serviceman's moratorium act has been passed, giving the courts power to stop foreclosure of a mortgage on a serviceman's house actually occupied by himself or his family.

One fairly general requirement is that the serviceman must show his income has been impaired by joining the forces.

In some of the western provinces there is also legislation prohibiting property of a serviceman being seized for non-payment of taxes. One province goes further than this and protects the service man against legal action to enforce payment of rent or to evict him in case of default.

Insurance Premiums

So far there has been no provision in Canada to protect a serviceman's life insurance premiums. In the United States the government guarantees payment of a serviceman's life insurance premiums up to $10,000 of insurance. The premiums guaranteed are regarded as a lien against the policy, which is expected to be cleared up before maturity. In some quarters similar action in Canada is suggested.

The Dominion Government has made substantial concessions as regards personal income tax of servicemen. Generally all members of the armed forces are exempt of income tax, if their service pay and allowances excluding subsistence, marriage and dependents allowances do not exceed $1,600 in the case of male members and $1,200 for females. If on active service outside the western hemeisphere, or on active service anywhere if their duties are normally required to be performed afloat or in aircraft, they are totally exempt.

PAPER EXECUTIVE

W. S. Kidd, general manager of the E. B. Eddy Co., who has been appointed vice-president and general manager.

The Shareholder

Keeping the current position of the stockmarket in its proper perspective is desirable. True, the market continues to forge ahead, although perhaps not as fast as a few weeks ago. The averages reach new highs with remarkable regularity.

Without attempting to determine whether current stock prices as measured by recognized Montreal, Toronto or New York averages represent a fair appraisal of real investment prospects, it soon becomes clear that a tremendous amount has been accomplished over the past year to erase the wartime pessimism.

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About the end of April, 1942, stock markets in Canada and New York hit their wartime lows, a climax that followed long months of weary sagging after the panic decline of May, 1940. These lows were marked by 79.85 for the Toronto industrial index and 92.92 for the New York average. Now the former index hovers around 116 and the latter around 142. This marks a gain of 45% for the Toronto index and 53% for New York.

It is necessary to go back prior to the German defeat of the Low Countries and France to find levels comparable to today's on either market.

Contrast this with what happened during the first 2½ years of war. Stock markets generally rose fairly sharply following the outbreak, reaching a wartime high of 93.8 for the Montreal industrials, and 129.18 for Toronto on Oct. 25 and 26, 1939; New York reached its wartime high of 155.92 on Sept. 12, 1939, or only about two weeks after the war started. Thus the decline from this wartime peak to the lows of 1942 was 38% for Toronto and 40% for New York. But since then the former has made up 73% of this total decline and the latter 80%.

Even if stocks were to continue ahead to their previous wartime highs it would only mean another 11% for Toronto and 10% for New York in contrast with gains of 45% and 53% respectively already recorded in 11 months.

• • •

There is no argument but that abundant reason exists for the altered attitude and investor psychology which these statistics illustrate. No one argues but that we are much closer to final victory now than at any time during the long and wearisome period of 1940, 1941 and 1942 when investors could see nothing but disaster ahead.

But there has been a lot more than the changing outlook to account for this transition period. Of perhaps equal importance has been the more accurate appraisal of what war means to the investor, of how taxation affects his dividends and market values, of the altered positions of so many companies due to wartime shifts in production. This appraisal is still going on but it stands today on a much more realistic basis than it did two or three years ago. Some may question whether even today the average investor appreciates just the kind of limit prevailing taxation places on the return from his investments, but it is at least clear that he is better able to see what this means now than a year or two ago.

Nanaimo-Duncan Bonds Offered

New 4¼% Securities to Finance Redemption 5½% Bonds

From Our Own Correspondent

VANCOUVER.—Nanaimo-Duncan Utilities is completing refunding of its 5½% bonds by offering of a new issue of 4¼% bonds, due July 1, 1964, R. H. Tupper, K.C., secretary and director of the company, announces. The new issue, amounting to $525,000, is being offered by W. C. Pitfield & Co. and Pemberton & Son, Vancouver, at 100.

The old 5½% bonds are being redeemed on July 2 at 104 and accrued interest. Latest available balance sheet showed $486,500 of these bonds outstanding.

The new bonds will provide funds for other company purposes in addition to financing the redemption and will also mean lower fixed charges. The company supplies electric light and power to Duncan, Ladysmith, Nanaimo and other communities on the east coast of Vancouver Island and also supplies water to Duncan.

Market Opinions

Barron's (New York)—The Trader: Argument for further advance in stock prices still continues to rest almost altogether upon the huge surplus of idle funds in the hands of the public. Record high betting at leading eastern horse and dog race tracks is cited as evidence of the widespread desire to gamble. Such money is the kind that has been flowing into the low-priced stocks, regardless of merit. Motivated by a saner effort to get money to work, the buying of the higher-priced and better-grade issues has been for income only.

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Barron's (New York)—The Dow Theorist: No change in the direction of the market is indicated under the Dow theory. All trends are still regarded as up.

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The Editorial Page . .

Utility Surpluses Needed

The Toronto Transportation Commission's announcement of another handsome surplus has revived agitation in a few short-sighted or cynical quarters for a reduction in street car fares. This is a thoroughly unsound suggestion of a type against which other Canadian communities should be on their guard.

Ever since war activity boomed passenger traffic, some Toronto political interests have been casting covetous eyes on the T.T.C. surplus and have incorporated a "lower fare plank" in their election "promises."

Management of the transportation system points out that present abnormal conditions will not last, that surpluses accumulated now will be needed for meeting emergencies in the difficult postwar days ahead.

To reduce tram fares or similar public services now would be a most short-sighted policy in Toronto or any other similar Canadian centre. Such expenses on the average citizen have never been so light with today's steady employment and higher wages.

There will be a very real need for these surpluses later on and from their spending the whole community will benefit. The huge increase in war traffic is wearing out equipment, most of which cannot be replaced until after the war. But it will have to be replaced then and at great cost. Spent for such purposes after the war it will provide employment during the critical period of adjustment to peace.

If the Toronto Transportation Commission or any other public utility can afford to operate on lower charges, let's have these lower costs after the war when perhaps they would be really appreciated and when they will serve some useful and constructive purpose.

Must Restore Western Credit

A. N. Mitchell, president of Canada Life Assurance Co., in a series of speeches throughout the Prairie Provinces did the country a service in focusing public attention on the problem of western credit. Mr. Mitchell points out that fullest postwar development in that part of Canada cannot be expected unless this credit is restored. Farms cannot be sold freely, houses cannot be built, services cannot be provided and immigration cannot be absorbed unless investors are assured of fair treatment.

Mr. Mitchell emphasized that he was not speaking for financial institutions alone because the problem concerned all Canadians. He said:

"There are many who appear to think that these laws affecting debts are merely aimed at lending corporations. Some people think of them as a rifle shot straight at a particular spot. Instead of that they are blunderbusses scattering the shot in every direction—taking a crack at everybody in the district."

As the head of Canada Life stated, the present debt legislation which stifles any sort of new credit, is largely the outgrowth of depression and drought and is not in accord with any period of normal expansion. It must be revised if the West is to move forward.

Air Force Commissions

In and out of Parliament, Air Minister Power has come out repeatedly for more commissions for the RCAF air crew. From his speeches one would assume that Mr. Power would have every pilot and navigator at least, given officer status. But progress in this direction seems to be slow indeed.

There are thousands of RCAF pilots and navigators with hundreds of combat hours to their credit, who are still sergeants. According to Mr. Power's own estimate, the government has spent from $25,000 to $28,000 apiece in training these young men. This must be many times the cost of training an army man to the point where he is given the King's Commission.

There seems to be no rhyme or reason for the present method of distributing commissions in the Air Force. Some air crews are commissioned on graduation from their preliminary training in Canada, some are not. Some fly for a year over Germany and still remain sergeants, some get their commissions in a few months. In many cases the sergeant pilot in charge of the machine on the main part of the flight, has a pilot officer serving as navigator, bomber or gunner.

On leave these young men mingle freely, a picture in the daily press last week showing a pilot officer and sergeant, heroes of a desert trek in Libya, actually sleeping in the same bed which must have shocked some military traditionalists. They are all responsible for the same costly machines, they all take equal risks. But on station or in Axis prison camps, there is a sharp difference of treatment.

The present system, or really lack of system just doesn't make sense. It is a threat to the morale of one of the finest fighting forces ever created.

Our Swollen Civil Service

The Ottawa Journal in its 25-years-ago column, draws attention to the growth of the civil service in the First Great War. At the beginning of 1918 the total of Government employees at Ottawa was estimated at 13,000, which was an increase of 1,000 over the figure of twelve months before.

Today the total cannot be far short of 30,000. The latest official breakdown, March, 1942, shows about 8,000 "permanent" employees and around 20,000 "temporary," and many thousands have been crowded into the country's congested capital since then.

The demobilization problem after the war is not going to be confined to the armed forces only. Prompt measures will have to be adopted to bring the swollen civil service down to normal which, in many departments, has usually meant inflation beyond real need in any case.

What British Socialism Says Now

Further striking evidence of the backward and isolated character of Canada's CCF came in a recent speech by Herbert Morrison, now member of Britain's War Cabinet and long one of Britain's outstanding socialist spokesmen.

The political gospel now being talked by Morrison certainly is not old-line socialism. And with the Morrison policies, as reported in The Economist, London, many believers in the system of free enterprise will find themselves in agreement.

Canadian Socialists, generally, still preach the socialism that was the vogue in Britain 40 years ago. The reason probably is that some of our leading Canadian Socialists were born in Britain; many more of them were educated in Britain; hence both groups have been nurtured on theories or got their education from theorists who reach back directly to turn-of-the-century times. In the United States, the Socialist party has virtually disappeared as an influence in national affairs, mainly because of the difference in social and economic conditions between this side of the Atlantic and the other.

Mr. Morrison set forth three principles for future policy as reported by The Economist: First, the development, by the state and its citizens, of "a spirit of effort, initiative and adventure." Secondly, the replacement of fear by faith as the nation's taskmaster; and third, the ruthless abolition of restriction and monopoly in the building up of the nation's wealth. We must turn our backs forever on schemes of restriction, of goods or of labor."

Mr. Morrison went on to point out that enterprise need not be private in order to be enterprise and need not be public to be socially valuable and progressive. Mr. Morrison leaves a big sphere where all the community need call for is "proper business practice and decent working conditions."

Says The Economist:

"The foe above all of future plenty and progress is sectionalism; Mr. Morrison in his speech denied the sectional claims of producers, whether entrepreneurs or workers. . . . Instead, there is needed a policy to make the real national income as large as possible and to distribute it among the population in the fairest and most efficient way. This involves, as the Minister said, a national income policy in place of a treasury policy. It involves an economic and industrial budget to take stock of the nation's entire resources, instead of simply an old-style budget to cast up financial ways and means. Only by these methods can the full capacity of this country be measured and put to use; and only by the rooting out of restrictive policies, whether devised by trade associations, trade unions or financial reactionaries, can this be made possible."

The CCF would do well at least to keep up with the current thought and policy in the party of which it is an offshoot and whose word and deed it has been so eager in the past to swallow greedily.

The Postwar World . . .

In this department The Financial Post notes current comment, opinion and research on the world that will face us after the war has been won.

Increased Wealth Means More Jobs

The answer to more and better jobs is the multiplication of wealth, not its mere division, says F. C. Crawford, president of the National Association of Manufacturers (U. S.). Below are extracts from a speech by Mr. Crawford before the Fifth Annual Northern California Conference at San Francisco recently.

Management can and must do many things to make more postwar jobs possible, but it cannot guarantee jobs. Government alone can't guarantee jobs for very long. The only guarantee of jobs lies in a free competitive enterprise system that is both free and competitive, and ever expanding with the growing nation—that is where the future jobs are to be found.

To do this enterprise must be free of restraint and government regulation other than that necessary to the public welfare and fully competitive within itself, but not with government or government subsidized enterprise.

The answer to jobs, and more jobs, lies in the multiplication of wealth—not in mere division. In producing more to make more jobs, not in dividing up the jobs in a dwindling controlled economy.

It might be a bit too realistic for the times to believe that we must have more horses for more people to go horseback riding, instead of cutting up a few horses for distribution—even as popular as horse meat is becoming. But ever since old man Euclid, or some other ancient discovered arithmetic, we have been horribly embarrassed by the fact that we cannot divide more when we have less.

Free competitive enterprise is not a concoction of a few cussed capitalists bent on plundering the gentlefolk, but a method devised by human beings to care for their exchange of labor and the building of their lives and future through an economy of their own making.

It is the best means we or any other nation have devised to produce and distribute wealth to all.

Industry, under competitive free enterprise, is an unusually vital triangle of interdependence.

Profits mean increased investment. Increased investment means increased wages. Therefore; profits increase wages.

Is this a contradiction, a fantasy?

Dr. Sumner Slichter of Harvard eloquently supports the connection between "larger profits" and "larger payrolls."

He says that labor and capital will both discover that the conditions which make it possible to arrive at both larger payrolls and larger profits are the very same conditions. He says that this discovery will lead to co-operation between labor and capital and that this co-operation "will make all previous efforts to raise the standard of living seem feeble."

That's the reason I say the best in America is yet to come. Because all the people in all three corners of the economic triangle—labor, market, investors—are not enemies of one another, but the very same people.

This kind of an economy is the best for the future, as it has been in the past, and is in present war production.

We had better put all our faith in that triangle of plenty and make it work if we want a post-war world free from want and economic stumbling and experimenting.

I believe we can very well throw victory away if we're not prepared for a good peace, and that we should be planning postwar now.

My only objection to the long-distance planner is that those least experienced in making our past and present are hell-bent on blue printing every detail of a great future.

Most of these plans have something very much in common. They are long on high-sounding objectives but short on how to get them.

It reminds me of the late, dearly beloved Will Rogers who in 1917 had a plan to end submarine warfare.

"Just boil the ocean," Will told an Admiral.

"Corking idea," said the Admiral, "But how?"

"Oh, that's your job to scheme that out—I've given you the idea," replied Will.

Too many planners who say they believe in private enterprise as a source of postwar jobs do so with their tongue in their cheek.

They say yes, free competitive enterprise must be the source of only a "majority" of the postwar jobs, but then they look to government to provide the rest of the jobs through government spending. To me that is as ridiculous and economically immoral as a part-time wife. Let's all get together to make the right system work, instead of combining the worst with the best and then being surprised at its failure.

Other People's Views . . . . . .

The Canadian Editorial of the Week

First Things First

Ottawa Journal

After a great deal of woolly talk and thought about the postwar, the brief presented to the Parliamentary Reconstruction Committee by the Canadian Chamber of Commerce comes as a relief, It puts first things first.

What it puts first is that before this country can distribute wealth it must take steps to create wealth, and that the first step to be taken is re-creation of world markets for things we produce.

That ought to be clear to any of us. Unfortunately, recent months have seen the postwar problem clouded by a host of young planners carrying about blueprints for Utopias and mumbling phrases about war on Want, Disease, Squalor, Ignorance and Idleness. Seemingly convinced that problems can be settled by platitudes, and that realities can be removed by rhetoric, they have been telling us that all we need to do is to turn one half the population into planners to give the other half "social security."

The Chamber of Commerce dissolves a lot of this wishful thinking by pointing out the simple truth that there can be no guarantee against want for anybody unless Canada can sell its goods in world markets; that this, and this alone must be the foundation of anything we attempt in the way of social security.

The Mail-box . .

Mr. Betts' Resignation

In your issue of June 5, 1943, you published an article which I feel to be not strictly in accordance with the facts.

The article states—"Difference of opinion as to the attitude of the association (Dominion Brewers' Association) toward government wartime restrictions on sale of beer is stated to be the main reason for the change" (i.e., my resignation as president of the Dominion Brewers' Association).

It is perfectly true that some acrimonious discussion did arise out of a difference of opinion respecting the policy of the Association.

But your final paragraph states that while the majority of members, representing brewers from coast to coast, do not agree with the principles of the government's beer policy, nor believe that it will promote the aim of temperance, they do feel that the Association should not seek to embarrass the government.

In my opinion, that report carries the implication that I, as president of the Association, did advocate such a policy of embarrassing the government and that it was because of such advocacy that the disagreement occurred.

This is, of course, quite at variance with the facts. At no time did I advance such a proposal as a basis for the Association's policy or action. Nor at any time has the company of which I am vice-president, or any of its officers, publicly or privately recommended or followed any course of action which sought to embarrass the government.

This company, and its officers, have felt, and do now feel, that the brewing industry possesses the right, that right which is common to all Canadian industries, of making representations against what it may at any time regard as unwise or unnecessary regulations of its business.

When regulations of other industries is proposed, those industries, if they are organized into trade associations, send their representatives post-haste to Ottawa to file formal and vigorous protest. If they do not have associations of their own, they either form delegations from within their industry or they invoke the aid of the Canadian Manufacturers' Association to plead their case for them.

It was precisely this democratic and conventional defense of an industry's position and its rights which I, as president of the Association, proposed and which this company and its management always have felt to be the right and proper policy for the brewing industry to follow.

This is substantiated by a brief of a proposed industry policy which I submitted to the members in advance of the meeting, with the suggestion that it should be discussed at the meeting. The following clause was incorporated in this brief as one of its fundamental planks:

"There is no suggestion of formulating a policy which includes antagonizing newspapers, government officials, members of the government or any private citizen."

The proposed policy did not gain the approval of certain important members of the industry and as it was abundantly clear that those members desired to continue their established policy of passive submission to any and all restrictive measures and that they did not wish to adopt a progressive and forthright attitude, the meeting, in my opinion, reached an impasse from which there was no acceptable road of escape.

D. C. BETTS,

Vice-President, Canadian Breweries Ltd., Toronto.

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National Selective Service

It must be obvious to anyone who notes the serious unrest, the all-too-frequent strikes, and the shortage of manpower on the farms, mines and forests, that all is far from well in this vital service; yet in spite of a great deal of destructive criticism of the government's policy, there appear to be very few suggestions forthcoming which are on really sound constructive lines.

As a matter of fact, there is only one fair way to handle this question, and that is conscription of wealth, industry and manpower. Why should we fight shy from even a consideration of this suggestions?

Every man from 20 years old and upwards, every essential industry, and all idle capital should be conscripted immediately; thus eliminating all huge profits, "cost-plus" contracts, and top-heavy salaries and retaining fees. An equal scale of wages should be set up; graded, of course, according to duties and responsibilities, and with living and separation allowances equally and fairly worked out. Then, with a sound financial setup, a solution to most of our greatest problems will be found in a very short while.

The above suggestion is, I know, a revolutionary one; yet it is sane, it is constructive, it will bear a great deal of examination, and it contains a solution which must be found sooner or later, or we shall perish in the maelstrom now showing on the horizon.

Let us have a hearing, and a discussion on the above suggestions while there is yet time.

E. W. ABRAHAM,

Victoria.

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Stop Me If . . .

A householder reported to the police that a tall thin burglar, whom he had encountered in his garden, struck him a violent blow on the head. A policeman solved the mystery and captured the assailant by stepping on the rake, too.

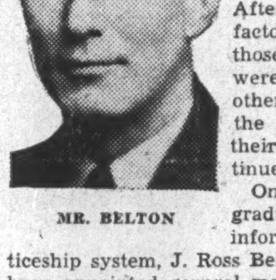
Cartoon by Grassick.

HERE'S HOPING FOR ANOTHER MIRACLE.

Post-Scripts . .

From Apprentice to G. M.

About 23 years ago, Canada's pioneer rubber manufacturing company, Gutta Percha & Rubber, Ltd., started a kind of apprenticeship course for young university graduates. The plan was for the chosen candidates to spend a year or more in the factory, learning what it is like to process rubber. After a period at factory work, those successful were taken into other branches of the business and their training continued.



MR. BELTON

One of the first graduates of this informal apprenticeship system, J. Ross Belton, has just been appointed general manager of the company, a testimony to the thoroughness of the training he received under the former manager, J. H. Coffey, Jr., and more recently under the direct tutelage of F. A. Warren, president.

Belton was born in London, Ont., where his family has long been well known in the lumber and contracting businesses. His university course was interrupted in 1915 by enlistment as a gunner in the Canadian Field Artillery. Later he transferred as a pilot to the Royal Flying Corps. His studies were resumed in 1919, but this time at Queen's University where he graduated in 1920, specializing in chemical and metallurgical engineering.

With the exception of about three months spent with his uncle in the contracting business, Belton has been with Gutta Percha ever since. After his apprenticeship in the factory he became first assistant supervisor and later supervisor of the newly established planning department. In 1936 he became assistant general manager and now has been made general manager.

Gutta Percha is not only a pioneer in the rubber industry, being established in 1883, but it is also unique in that it is still controlled by the Warren family which started it about 60 years ago. F. A. Warren has for some time been filling a composite position as president, general manager and treasurer. Now Mr. Belton is taking over the operational end of the business, specializing in the manufacturing and selling of the company's products.

Right now about two thirds of Gutta Percha's output is for direct war purposes and the balance is closely controlled and regulated. Mr. Belton feels that the formerly important export business can be regained after the war although much will depend on the kind of settlements made on such matters as currency control and trade policies. In this, private companies can do little but must depend on government action. He feels that synthetic and natural rubber can both find a place after the war, division of the demand depending partly on economic factors of competitive prices and partly on specialized advantages of each. Right now his company, like others in the business, is primarily occupied on war equipment.

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He Supplies the Tools

When Francis Gilbert Ferrabee graduated from McGill in 1924 with a degree in mechanical engineering, he was just another graduate without a job or even prospects of a job. Canada was just emerging from a postwar depression and there was a large number of experienced engineers competing for the few jobs available. Work was not available for "Sox" (a nickname he picked up at R.M.C.) Ferrabee, but an opportunity came his way. He went back to "school," to take the student's training course at the Phillipsburg, N.J., works of the Ingersoll Rand Co.

MR. FERRABEE

Ten years later he returned to Montreal to become associated with Canadian Ingersoll-Rand Co. Just recently he was elected vice-president and general manager of the company, whose products have become a by-word in the mining, pulp and paper, chemical and construction industries.

A Montrealer by birth, Ferrabee attended Lower Canada College and the Royal Military College before taking a science course at McGill. Following the completion of the students' training course at Phillipsburg, he became a salesman at Huntingdon, West Va. From Huntingdon, he went to Pittsburg, where he gained a sound knowledge of steel, oil and gas operations, and finally to the New York Office.

In 1934 Ferrabee returned to Canada as general sales manager of Canadian Ingersoll-Rand. He was elected a director in 1937, appointed vice-president sales division 1939, and elected vice-president and assistant general manager in 1941. This year he became general manager, while still in his early 40's.

Since his return to this country, Mr. Ferrabee has travelled extensively. He knows at first hand practically every mining camp in the Dominion. His firm has been consulted on the right tools for practically every major construction job undertaken, while the special machinery built for the pulp and paper, mining and chemical industries is to be found in all parts of the country.

Since the war started, Mr. Ferrabee's interests have widened greatly. At the outbreak Canadian Ingersoll Rand set up the Sherbrooke Pneumatic Tool Co., for the production of shells, and appointed him executive head. He has also taken on a job for the Wartime Price and Trade Board as director of pneumatic refrigeration and gas machinery and equipment. Further, his training at R.M.C. did not go unnoticed by the military authorities, for he holds the post of Senior Reserve Ordnance Mechanical Engineer of Military District No. 4 and commands the Reserve Mechanical Workshop in Montreal.

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Canadian Citizen

For years past, many Canadians who went to the United States for business reasons, settled down there with their families and became good American citizens. For Edward C. McDonald, recently elected honorary treasurer of the Canadian Life Insurance Officers Association, the process has been reversed. Coming to Ottawa from the United States less than three years ago as chief executive in Canada of the Metropolitan Life Insurance Co., he is firmly rooted in the life of this country and is getting a lot of help from his family.

His only son, recently married a Canadian girl, the only daughter of Arthur Bourinot of Ottawa and a granddaughter of Sir John Bourinot, authority on parliamentary procedure. His only daughter is to be married soon to the son of R. C. Berkinshaw of Toronto, prominent Canadian industrialist.

Mr. McDonald himself, is the first executive of a company with head office in the United States to become an officer of the Canadian Life Insurance Officers Association.

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Aberhart's Successor

This summer, for the first time in three years, Lieut. E. C. Manning of the 2nd Battalion, Edmonton Regiment, will probably be absent from the reserve army's summer camp at Sarcee in Southern Alberta. Lieut. Manning has just become Alberta's new premier, succeeding his friend and teacher, the late Premier William Aberhart.

MR. MANNING

At 34, the Hon. Ernest Charles Manning is the youngest premier in Canada but he had had eight years' ministerial experience when he became leader of the world's first and only Social Credit government.

Back in 1935, after the Social Credit landslide Manning became provincial secretary and later added the portfolio of trade and industry. From the beginning he was Aberhart's righthand man and logical successor.

Manning is slender, slightly over medium height. His thin face is thoughtful and he looks older than his 34 years. A boyish grin and a ready laugh temper the natural seriousness of his expression.

Like his mentor, he looks upon himself as a "man with a mission" and that mission is to put into operation the economic theories held by Aberhart. On social credit—Alberta brand—the blazing zeal of the zealot shines from his eyes.

The youngest of three sons he was born at Carnduff, Sask. Never robust, he was a serious, introspective and deeply religious youth. At 18 he bought a radio. One Sunday afternoon, he tuned in the Prophetic Bible Institute of Calgary, carrying the booming voice of the Institute's dean, William Aberhart. "It got me," Manning explains.

After listening devoutly for two or three Sunday afternoon broadcasts, young Manning had made up his mind as to his future career. He packed his meagre belongings and caught a train for Calgary. There he applied to Mr. Aberhart for admission to the Prophetic Bible Institute as a student and eventually became the Institute's first graduate. He performed humble duties around the building but rose quickly to become secretary of the Institute, and organizer of young people's groups and pulpit assistant. The Aberharts grew very fond of Manning and took him into their home.

In addition to the responsibilities of running two government departments, (he is also minister of trade and industry) he still conducts services and has his own Bible class in the Edmonton Prophetic Forum, a branch of the Calgary Prophetic Bible Institute. Plus social credit and the Institute brand of religion, Manning currently has two pet topics, industrial development for Alberta and monetary reform.

In 1936 Mr. Manning married the pianist at the Prophetic Bible Institute, Miss Muriel Aileen Preston. They have two children.

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Sayings of the Week

"I wouldn't be frank if I didn't say I've thought about it, but I haven't made up my mind."—*Wendell Willkie, queried on his intentions as a Presidential candidate.*

• • •

"I am not running an air force to go farming, but to fight overseas and train here."—*Air Minister Power, explaining that no farm leave would be available for expensively trained air crew.*

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"Go back and tell your long-haired friends in Washington to get busy and send us some labor, and some machinery, for our farms." — *Gov. Henry F. Schricker, Ind., U. S., addressing food production director.*

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"The men who run this country are appointed behind members' backs by Order-in-Council, and when I ask for information about them, I am accused of being a coward and attacking those who are not there to defend themselves." —*J. F. Pouliot, Liberal M.P. for Temiscouata, Que.*

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"Our railroads must be rebuilt after the war. And millions of shipyard workers must have jobs. I want to build new trains. I propose that we complete engineering studies at once, get the financing arranged, and be ready for construction the day Peace is declared."—*Henry J. Kaiser.*

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Postwar Planning

Heavy Industries Plan For Conversion

Have Great Part to Play in Canada's Coming Development

Firmly believing in the old adage that "the Lord helps them who help themselves," representatives of a group of Canadian heavy industries got together last winter and decided to work out a practical plan for dealing with the conversion to peace. Forming an organization known as the Heavy Industries Federation for Postwar Reconstruction, membership is being gradually extended right across the Dominion and at the same time a working postwar program is being evolved.

While willing and anxious to co-operate with other groups of industries and with municipal, provincial and federal governments, the main interest of the group is concerned with heavy industry's own peculiar part in postwar development. The Federation believes it must be prepared to shoulder the major responsibility for this part and if necessary to carry it through alone.

Prepared for Changes

Hoping and expecting that the coming of peace will usher in a period of unparalleled expansion and activity for Canada, the Federation's plans, nevertheless, are not based on such a rosy future, but rather the reverse. HIFPR argues that Canadian industry must be prepared to meet every eventuality, from a serious depression to a great boom, immediately after the war.

Behind all this reasoning is the explanation that heavy industry plays an unusual and vital role in Canadian development. It can be used for creating employment to an almost unlimited degree, because it furnishes the raw materials and incentive for nearly all other industries.

The manufacturing of shoes, buttons or toothpicks, for instance, is limited to the number of customers available. That limit can be easily figured in advance—so many people, so many pairs of shoes, so many shoemaking machines. But there is no similar and definite saturation point in the consumption of steel and other products of heavy industry. In the past that has risen and fallen but the most pessimistic salesman never believed that he sold all that could be used.

The Federation hopes that industry can be kept keyed up to the point where there is practically no unemployment, where no large scale layoffs will follow after the war.

Threat of Accumulated Materials

One of the biggest threats to such hope is seen in the accumulation of standard materials, finished and partly finished, that will face us at the end of the war. Just to be on the safe side, the Federation is considering the possibility that all the radiators, boilers, hardware, pipe, lumber, plumbing and electrical equipment, engines, etc., that we have been turning out for war building may suddenly flood the civilian market.

Much of this material, it is pointed out, is almost as good as new, some indeed will not have been used at all. Normally its life runs from 10 to 50 years. In many cases there is absolutely no difference in the type required for war or civilian purposes.

After the First Great War, in many cases, such material was dumped on the market with disastrous results on local industry. In this war the accumulation is very much larger and spread over a great deal more territory. Several solutions are suggested by the Federation, but in all cases it urges seeking co-operation and joint action with the United States. Anything we might do single-handed, it points out, would be useless if American accumulations were allowed to flood over the boundary.

Orderly Distribution

The Federation would have all this material and its distribution, especially the steel and iron products, put under definite and practical control. Perhaps use might be found for it in some national development scheme such as the opening of the Northwest Territories, large-scale slum clearance or similar work, provided such distribution would not interfere with current production and current demands. But if the latter, with its vital postwar employment were threatened, then the Federation suggests taking the whole accumulation and selling it on easy credit to some war devastated country for rebuilding purposes.

Heavy Industries Federation desires to co-operate with others but sees need for preparation to handle postwar problems. Industry has great possibilities for creating employment as it furnishes raw materials and incentives for many other industries.

One big problem facing heavy industries is accumulated materials used for war building and likely to come on market after the war. Federation desires orderly distribution of this equipment, perhaps in some national development scheme.

If something like this is not done, argues the Federation, then postwar employment might be upset, and especially so if any considerable proportion of the large number of women now employed continue to remain in industry.

Government War Plants

Another threat that must be faced is that provided by the huge expansion of Government in private industry since the war. The Federation points out that all across the country are hundreds of Government-owned and partially owned factories, some of them also operated by the Government. Many of these are permanent structures and ultra modern. Some of them, such as Small Arms Ltd., cannot expect to go on concentrating on the production of war equipment after the peace, and private industry doesn't want them entering into competition in other lines. What is the solution?

HIFPR hasn't all the details worked out yet but suggests that private enterprise should be given an opportunity for putting these new plants into effective peacetime operation. It doesn't want them boarded up as were some of the Government arsenals after the last war.

Raze Old Factories

In many Canadian cities today, it is argued, there are factories, 40, 50 and even 80 years old, which are obsolete fire traps surrounded by slums. Some plan, it is believed, could be worked out for scrapping them, moving the industry to the brand new crown-owned factories in the outskirts and surrounding these with model towns. In this way there would be little stoppage of production and the old plants and old slums could be razed and the district completely renovated as residential, park or manufacturing areas.

Not a great deal of financial help would be needed, it is argued. Some reimbursement would be paid for the old factory and ownership of the new Government plant would be acquired on easy terms. As with the materials problem outlined previously, the Federation would set up a board or a private company to facilitate the disposal of these Government war plants.

Tariffs, Agriculture, Immigration

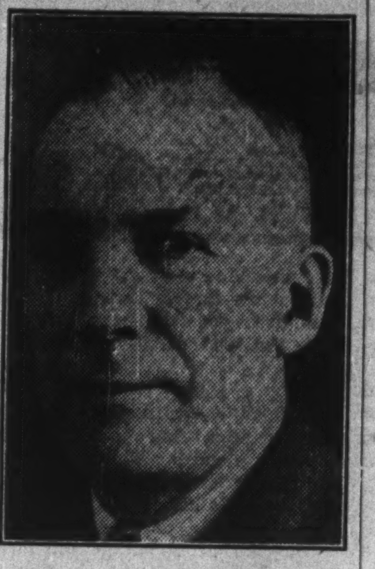
In regard to such complex problems as the tariff, world trade, agriculture and immigration, the Federation has been working on plans, though these are not as definite as those connected directly with heavy industry. In regard to the latter, the Federation believes its members should take a leading part and make definite proposals and be prepared to carry them through. With such things as the tariff and immigration, on the other hand, only broad recommendations are considered and it is suggested that these be dealt with in co-operation with other organizations.

So far as trade is concerned, the Federation believes that the problem of dealing with countries with low living standards must be faced and handled in such a way as to work no hardship on domestic industry. In immigration it believes that more population is essential and that the bulk of these new people should be drawn largely from the British Isles and northern Europe. The Federation would have engineers play a larger part in agriculture, would select land for settlement more carefully, and would prepare this land for farming before it is settled.

Much Potential Work

The Federation believes that there is a huge amount of development work waiting to be done in Canada. A great deal of new housing should be provided, new towns and cities redesigned, old towns rebuilt, airports, highways, power lines, etc., developed. The time to plan that work is now, states the Federation so that there won't be any lag when the peace comes. Its main argument is that if we hope to employ all the people who will be looking for jobs after the war, then our industries must operate at a higher pitch than ever before.

This is going to require much planning and actually carrying out a lot of work that was only dreamed about before. The Federation, however, believes that private industry can handle this gigantic job, though there must be co-operation from the Government. To provide that co-operation it suggests that there should be set up immediately at Ottawa a department of postwar reconstruction, headed by a full cabinet minister.



ASST. COMPTROLLER

G. A. Godfrey, whose appointment as assistant comptroller, Canadian National Railways, Montreal, is announced by T. H. Cooper, comptroller. Mr. Godfrey was previously auditor of revenues and succeeds W. S. Harrison, who has retired.

New Books . . .

Science of Politics

THE MACHIAVELLIANS by James Burnham. Published in Canada by Longmans Green & Co. Price $3.

James Burnham, whose Managerial Revolution cut a wide swath in the interest of America's solid-reading public over a year ago, now presents a new book that will enrage and provoke many because it will strip them and their motives of the comforting garment of idealism, "service" and other high moral decorations.

Most readers of his current volume, however, will already be aware that Machiavelli was one of the first to put science into political science; that this lusty old Italian, far from being an exponent of political and moral skulduggery and double-dealing was simply an analyst who wrote down the ways of politics the way a laboratory scientist reports the death throes of the rabbit he has just ingeniously killed in the interests of knowledge.

The interesting and valuable part of the book for most readers will be Burnham's report on the Machiavellian school of thought as expounded by his intellectual heirs down to our own time, men like Pareto, Mosca, Sorel and Michels.

And Burnham tells where the Machiavellians end up:

"A dilemma confronts any section of the elite (ruling class) that tries to act scientifically. The political life of the masses and the cohesion of society demand the acceptance of myths (notions such as government by, of, and for the people). A scientific attitude toward society does not permit belief in the truth of myths. But the leaders must profess, indeed foster, belief in myths or the fabric of society will crack and they be overthrown. In short, the leaders, if they themselves are scientific, must lie . . . The tendency is for deceivers to become self-deceived, to believe their own myths. When this happens, they are no longer scientific. Sincerity is bought at the price of truth."

And like Machiavelli, Professor Burnham is already being kicked around for "holding dangerous and execrable views." Apparently people do not like analyzing their motives now any better than their ancestors did in the gay, bloody days of the Renaissance.

For Postwar Peace

U. S. FOREIGN POLICY. By Walter Lippmann. Published by Little, Brown & Co., Boston. Price $1.50.

Walter Lippmann did not have Canadians in mind when he wrote this crystal-clear record of the "insolvency" of American foreign policy in the past 50 years. But it is a book every intelligent Canadian should read, for it makes abundantly clear that only if the United States can find its bearings in the postwar world will this country enjoy security and peace.

Lippmann makes out an overpowering case against isolationism. He proves, both from the record of the past and the position of the moment, that isolation is the one policy that can destroy the U. S. He cites the most formidable evidence to prove that isolation was never the policy of the founding fathers; they knew better. But in the past 50 years the United States has accepted foreign commitments without accepting the responsibility that goes with them nor building up the power to maintain them. And when Britain too, went "pacifist," the foundation of American security cracked. America and Britain "disarmed," and left the world wide open to the buccaneers.

Lippmann offers the outline of a foreign policy for today. First, alliance with Britain: not a namby-pamby things of words and sentiment, but a power alliance, ironbound with armaments and realism. Secondly, a working alliance of those two powers with Russia.

Lippmann does not attempt to define China's ultimate role in such a peace-enforcing, freedom-protecting alliance. China is not yet a great power; she is only emerging as one. The United States, he holds, should probably aid China to become a great power but he regards it as beyond the power of man to forecast what that event will mean in the developing dynamism of world politics.

Who Makes What?

CANADIAN TRADE INDEX, 1943 edition. Published by Canadian Manufacturers' Association, Toronto. Price $6.

Buyers are faced with a new task these days. Their job has turned from winnowing out what they needed from an abundance of offers to seeking some one who might have what they require. As such they will find the 1943 edition of this reference work of unusual value.

This book is primarily a listing of about 8,000 Canadian manufacturers, alphabetically with addresses, branches, export representative and trade mark or brands. It is also an alphabetical listing of manufacturers by products made and a directory of exporters of agricultural produce and allied lines. This year's list includes over 300 new firms, as well as revisions on hundreds of others.

A special export section gives details of Government services, export procedure, financing, definitions of abbreviations used, and Foreign Exchange Control Board regulations.

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It is a super Club Soda. Made to an exclusive scientific formula, it possesses properties not found in ordinary "soda" water. Specially purified water, pin-point carbonation and added ingredients make it the finest of all mixers. Makes any drink better—and better for you.

IT'S Vitalized: Pin-point carbonation, Canada Dry's own process, gives it that million-bubble champagne sparkle. Makes drinks livelier—longer.

IT'S Alkaline: Special ingredients make it definitely alkaline in reaction.

Livens Flavour: Its million-bubble sparkle steps up the flavour of any drink.

3 SIZES
7 oz. Handy individual size; in 6-bottle cartons
12 oz. Favourite Club size.
30 oz. Economical Family size; makes 8 to 10 long drinks.

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CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA

The "power" behind our War effort — and how life insurance helped produce it!

From thousands of busy factories all over Canada and the United States, the sinews of war are flowing toward the battle fronts in a mighty, ever-growing stream.

The "power" behind these factories—the energy that permitted our two countries to become, almost overnight, one vast arsenal—is electricity.

For no other two nations in the whole wide world enjoy so widely the industrial benefits of electricity. Moreover, in more than 80% of all dwelling houses, on more than 40% of all farms a flip of a switch brings conveniences undreamed of fifty years ago.

How did the vast electric power system that makes this possible come about? Through our initiative and enterprise.

Our electric power system took years of development. It took faith and courage and vision on the part of management. And it took billions of dollars, invested in the complicated equipment needed constantly to improve service and at the same time reduce the cost of electricity to the consumer.

A substantial share of this money came from life insurance companies. For example, Metropolitan has invested many millions in underlying securities of public utilities in Canada and the United States, helping to finance their growth and expansion.

These are the dollars which came to the Company because life insurance agents helped policyholders to provide security based upon the needs of their particular families.

Today, by far the larger part of Metropolitan's fund available for investment is going into Canadian and United States Government bonds. But when the war has been won, our power companies will continue to progress and electricity will work many new wonders in its field. Already we are promised many new developments in radio, television, and electronics.

When, in the post-war period, money is once again needed to bring the magic of electricity to more millions of people, policyholders' dollars will be ready. For Metropolitan's 30,000,000 policyholders in Canada and the United States have faith in the continued and growing greatness of their countries . . . a faith they evidence every time they pay their premiums.

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CANADIAN HEAD OFFICE: OTTAWA

LONDON CALLING

WRITTEN EACH WEEK EXCLUSIVELY FOR THE FINANCIAL POST BY *Adelphi*

LONDON.—Signs of the times! No longer do we have to immobilize cars or even lock them—except in certain special coastal territories. It is true that very few private cars are in commission but we are grateful just the same.

Until recently we had to lock them and immobilize them by removing a vital distributor part. The latter injunction, however, was more honored in the breach than the observance. It was not easy in the blackout to find the wretched thing and even harder to put it back.

Apparently a German invasion of Britain is not regarded as likely now, or even practicable.

* * *

Air Raids Again

In recent nights we have had air raid warnings in London and the guns have gone into action. The usual hour is just before midnight and, in the warm summer air the sirens seem louder than ever before. But no one worries very much. The mighty Luftwaffe cannot or, at any rate, does not spare more than a few machines for these nuisance raids.

Poor Hitler with his mean, undeveloped, twisted mind thought in 1940 that London could be bombed until the people would stampede in terror into the countryside and dislocate the life of the nation.

How fortunate that he did not concentrate on the ports from which supplies were going to the Middle East.

* * *

Critchley Civil Air Head

The Canadians in London are seldom out of the news. For the moment I refer to those Anglo-Canadians who have lived here for years. The latest one is Air Commodore A. C. Critchley, D.S.O., who has been appointed chief executive of the British Overseas Airways. In other words he has been appointed dictator of British civilian aviation.

It would be wrong to pretend that the announcement drew unanimous cheers when Sir Archibald Sinclair gave it to the House of Commons today. Critchley is a stormy as well as an able fellow. It has been said of him that he has never lost an enemy. This capacity for wounding the susceptibilities or the vanity of people has tended to make his critics overlook the fact that he possesses a remarkable gift for organization.

In the last war all Canadian officers had to go through a course at Bexhill under Critchley. At 28 he was made a brigadier and was put in charge of RAF cadets for their initial training. The present King was on his staff.

After the war he introduced greyhound racing into England, made lots of money and organized the sport so well that the dogs almost kept in step as they were led from the paddock.

As the present war approached Critchley prepared a vast scheme for the initial training of RAF cadets. Not only was his plan accepted but he was put in charge of it. Many thousands, very many thousands, of airmen have gone through his hands. He has played a big part in the steady supply of flying personnel.

* * *

M.P.'s Growl

Yet there were deep growls in the House when his new appointment was announced. Austin Hopkinson, who spends most of his time blaspheming against Lord Beaverbrook, jumped to his feet and urged Sir Archibald to name one single qualification which justified Critchley's appointment. Other M.P.'s asked for a debate. Another wanted to know if Critchley would give up all association with greyhounds.

Beverley Baxter came to the assistance of his fellow Canadian by asking Sinclair if Critchley had not done great things for the RAF in this war. The grateful Minister for Air agreed with enthusiasm. However, those demanding a debate won.

Critchley came over from Calgary with the whole Critchley polo team in the last war—his father, himself and his two brothers. Two stepbrothers are fighting in this one. His eldest son John was killed in Libya.

My own guess is that Critchley will win through and prove a great success. He has the ability and the drive.

* * *

A New Team

The appointment of Viscount Knollys as Chairman of the British Airways also came in for some rough comment. Lord Knollys was a page at the Court of Edward VII and then to George the V. He won the DFC in the RAF in the last war and when it was all over he went out to South Africa.

Returning to England he became managing director of a big insurance company but was not a prominent figure. In 1939 he took on the job of deputy regional commissioner and in 1941, to the surprise of most people, he was appointed governor of Bermuda.

He did a good job there. But then he is tactful, kindly, good looking and modest. There were many who thought that his present visit to London was in connection with the Vice-regal post in India. Instead it was civil aviation.

So now the viscount of ancient family and the aggressive Canadian from the Alberta ranching country will go into double harness. I like them both—for does not music require the loud pedal and the soft pedal?

* * *

If rumors are correct the Pope is endeavoring to bring about peace between Italy and the United Nations. The former Cardinal Pacelli is no stranger to diplomacy. For many years he was a papal diplomat to various European capitals and then became secretary of state in charge of foreign affairs at the Vatican.

Although the Vatican is an independent state within a state it is always a delicate matter when the Pope is an Italian and Italy is at war. The present incumbent has not escaped criticism but it is perhaps a tribute to him that the criticism has come from both sides.

* * *

A Communist Falls

Brendan Bracken missed his vocation in life. He should have been a prize fighter. As Minister of Information he is specializing in solar plexus blows when answering attacks in Parliament.

Recently he hit Willie Gallacher, our solitary Communist M.P., so hard that the tough little Scot made no attempt to rise from the floor. It came about over two issues—first, that certain Polish publications in Britain have been attacking Russia; secondly, that the Daily Worker (the Communist organ) is not allowed to be sent out of the country.

Bracken admitted to Gallacher that these Polish journals were behaving badly.

"Then why," roared Gallacher, "do you keep the export ban on the Daily Worker when it puts the other side of the case?"

Brendan Bracken leaped to his feet and his shock of red hair bristled angrily. "The Poles have blundered," he said, "but the Daily Worker has gone too far. It had even dared to attack the patriotism of the Polish leaders. When it comes to patriotism the Daily Worker is not in a position to speak."

The House shouted to Gallacher to reply. They taunted him to do so. But poor Gallacher was "out."

Bracken's reference of course was to the conduct of the Daily Worker in the pre-Churchill war years. When the war began it screamed "Down with Fascism." Then, when Russia made her pact with Germany, the Worker denounced the conflict as a capitalists' war. In 1940 when Britain stood alone the Worker fomented trouble everywhere so as to hinder the war effort. When Russia came in, this highly adjustable publication shrieked for an all out effort for victory.

J. L. McMURRAY

F. W. RADCLIFFE

RCA VICE-PRESIDENTS

J. L. McMurray, Montreal, who has been appointed vice-president of RCA Victor Co. and F. W. Radcliffe, Toronto, who has been appointed vice-president in charge of sales and public relations.

New Wartime Regulations

Post Summary of Latest Ottawa Rulings

ICE DELIVERIES. WPTB order A-745, May 28, amends order A-491 to permit daily deliveries of ice to be made to householders up to six times a week, not more than once in one day. Adm. of Services M. W. McCutcheon.

* * *

SHEEP, LAMB CASINGS. WPTB order A-750, June 3, fixes prices for sheep and lamb intestines. Foods Adm. K. W. Taylor.

* * *

PACIFIC COAST HALIBUT. WPTB order A-751, June 2, order that half of all halibut caught in British Columbia waters must be frozen and processed, and sets maximum prices to processor. Adm. of Fish and Fish Products A. N. McLean.

* * *

CEDAR FENCE POSTS. M. & S. order Timber 21, May 13, sets maximum prices for cedar fence posts in eastern Ontario. Timber Con. A. H. Williamson.

* * *

CHEDDAR CHEESE. WPTB order A-752, June 2, sets maximum prices for Canadian cheddar cheese. Adm. of Dairy Products K. H. Olive.

* * *

MAXIMUM LIVE POULTRY PRICES. WPTB order 268, May 20, sets maximums for live poultry at wholesale and retail. WPTB Chm., Donald Gordon.

Canadian Pacific to Revive Ocean Service After War

From Our Own Correspondent

VANCOUVER.—Canadian Pacific Ocean Services hopes to re-establish operations on the Pacific after the war, but their future policy will depend to some extent on future air transportation, according to President D. C. Coleman.

"Naturally we have under consideration the replacement of the Empress liners," said Mr. Coleman, "but no definite plans can be made until we are in a position to ascertain the full effect of air competition, and until we know the extent to which the free exchange of products between this continent and Asia will be permitted.

"In preparation of our program we will, of course, take into full account the facilities for construction and rehabilitation which may be available in Canada."

Company Reports

Can. For. Investment

Net income of Canadian Foreign Investment Corp. recorded a slight falling off in 1942, but due to further substantial reduction in outstanding preferred stock, net profits available on the common at $2.03 a share, compared with $1.99 a share in 1941.

During the year sufficient exchange was received to retire $230,000 par value of Brazilian Portland Cement Co. debentures. Additional funds received this year have completed the redemption of the cement company's debentures up to the end of 1942.

In his report W. A. Black, Jr., president, states that demand for cement continued satisfactory last year, but for the first time, it became more difficult to obtain desirable quantities of imported materials, including fuel, for plant maintenance and operation. This condition is a developing one, he says, but was and is being alleviated to some extent by using substitute materials.

Income and Surplus Account
Years Ended Dec. 31

	1942	1941
Revenue	$222,215	$236,395
Expenses	26,398	26,557
Net income	195,816	209,838
Less: Pfd. dividend	46,536	63,098
Com. dividend	146,832	139,490
Surplus	2,448	7,249
Previous surplus	712,996	822,506
Less: Prior period tax	1,565	......
Pfd. premium	15,225	5,560
Transfer	111,200	111,200
Surplus forward	809,853	712,996
Balance Sheet Changes		
Cash	$153,637	$150,403
Foreign currency	63,205	35,963
Int. in B. P. C. Co.	1,016,147	1,556,341
Govt. bonds	421,822	231,735
Preferred stocks	380,900	685,400

David et Frere

David et Frere's earnings last year show a moderate decline, reflecting rationing of supplies and a drop of 21% in sales volume compared with the year before. Net income available on the A stock amounted to $2.22 a share, as against $2.83 a share the year before.

Financially the position of the company underwent further improvement last year. Bank loans were liquidated, while net working capital improved by $40,000.

Income and Surplus Account
Years Ended March 31

	1943	1942
Net income	$103,799	$124,603
Less: Depreciation	20,916	13,592
Tax provision	31,674	45,930
Net profit	51,209	65,081
Less: A dividends	26,450	26,450
Surplus	24,759	38,631
Previous surplus	190,764	152,100
Add: Cap. profit	......	33
Surplus forward	[illegible].523	190,764
Earned on A stock	[illegible]2.22	$2.83
Working capital	$329,180	$289,939
Balance Sheet Changes		
Investments	$148,932	$125,394
Inventories	109,794	132,734
Accts. receivable	89,395	153,061
Bank loan	......	43,500

U. S. Mill Operations Advance to 91.9%

Paper mill operations in the United States reversed the usual trend during May, when the operating ratio of mills reporting to the American Paper and Pulp Association advanced to 91.9%. This is the highest figure reported in the past year and compared with 88.8% in April last.

Shortage Seen In Fancy Meats

Canadian housewives are going to find it harder to put kidney stew and calves' liver on their tables. Reason is that fancy meats, including kidney, liver, heart and tongue are not rationed and will be in greater demand.

The supply never was large, but because many people did not care for them, no great scarcity was felt. Ever since the meat shortage began, demand has been increasing, while supplies of some lines have been declining.

Calves' Liver

Take calves' liver, for instance. In recent months a tendency among farmers not to market calves has cut supplies.

Assuming that slaughterings of calves in recent weeks have averaged about 11,000 a week and that a calf's liver weighs about three pounds, this means 33,000 pounds of calves' liver a week to supply 12 million people, a fraction of an ounce per capita. Nor is much relief to be found in lambs' liver, of which the supply is about the same. Beef livers are generally taken readily over the counter. Calves and beef tongues are now quickly taken when offered for sale.

Pork livers and tongues, generally, are not available for Canadians, going mainly to the United Kingdom, British importers wanting a liver and tongue with each Wiltshire hog.

Hearts

Pork and beef hearts are usually sold over the counter or go into sausages.

One factor that has worked against the sale of beef hearts in the past has been that they are split open. This has necessitated them being sewn up again if being dressed. Reason they are split is the government inspection regulations, splitting making it easier for the inspector to detect any sign of disease which would cause the meat to be condemned for human use. The objection to split hearts is now expected to disappear.

While packers say it is too early yet to know how rationing will work, they don't anticipate any great difficulty. Those contacted by The Financial Post believed there would be enough meat available to fill the ration.

The first week has not permitted any fair appraisal of the situation because most families bought heavily the last day or two before rationing and on subsequent days bought hardly anything. Within a week or two it is believed conditions will be on a normal basis.

NOW!

T.C.A. TRANSCONTINENTAL SERVICE to

Victoria

Victoria has been added to Trans-Canada's transcontinental and international air route to provide Vancouver Island with through direct air mail, passenger and express service to and from other sections of the Dominion of Canada.

Spanning North America twice each day from Newfoundland, Halifax and New York on the Atlantic seaboard, to Vancouver and *Victoria* on the Pacific—serving a score of important Canadian centres en route—the National Air Line renders an ever broadening essential service to Canada in war and in peace.

For information, reservations, etc., consult your nearest T.C.A. Traffic Office, or any C.N.R. passenger representative.

TRANS-CANADA Air Lines

CANADA'S NATIONAL AIR SERVICE

Air Mail • Passenger • Air Express

The rest-pause that refreshes

Welcome in peace... more welcome in war work

WAR plant managers will tell you that anything that contributes to contented workers makes better workers. In plant after plant it has been found that a rest-pause breaks monotony, lessens tiredness and tension.

When you add refreshment to a rest-pause, you not only have a pause that rests, but refreshes, too. A moment for ice-cold Coca-Cola makes a rest-pause take on more meaning . . . promoting contentment that leads to more work and better work. Yes, contentment comes when you connect with a Coke.

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We Have Been Asked . . .

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, wartime regulations and other subjects. The Post cannot undertake to make predictions, will not express opinions on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed.

INCOME TAX

Directors' Fees

I understand that in general, income tax should be deducted from directors' fees at the time of payment. At what rate should this be deducted please? The "Revised Table of Tax Deductions" makes no provision for such deductions.

If the director is an employee of the company, director's fees should be added to his annual salary and tax deducted accordingly, on the regular paydays. If he is not an employee, no deduction need be made, unless his fees amount to over $660 a year. If they are over $660, deduction must be made when payment is made.

Officers' Civilian Income

An officer in the Canadian Army is married and serving overseas so his army pay is not taxed. He receives from his former employer $1,200 a year, this being the difference between his former salary and his army pay. What income tax is he liable for?

He is liable for tax on his civilian income only, as a married man. As his civilian income is just $1,200, he will actually have no tax to pay

Pension Payments

In the municipality where I live, the council some years ago set up a pension for the clerk. Under the contract the municipality contributed $200 a year and the man paid in $300 by deductions from his salary. Subsequently the employee deducted this $300 from his income for income tax purposes. Now the income tax people say the $300 contributed by him was not properly deductible and that they will have to re-open his income tax returns back to 1936 on this account. Do you think this is right?

Your enquiry can be answered only by having full knowledge of the contract and all the circumstances. It would appear, however, that the income tax authorities consider the pension plan in this case was not of the type which would enable the man to claim his payments as a deduction from income tax. If not satisfied with the ruling of the district inspector you can write the Commissioner of Income Tax, Ottawa.

INVESTMENTS

Antioquia

What has been happening recently in connection with the 7% bonds, due July 1, 1945 of the Department of Antioquia, Colombia?

Last interest payment made by Department of Antioquia, Colombia, on its 7% bonds due July 1, 1945, was in July, 1932, when the $35 coupon due at that time was paid at the rate of $23.80. No payments have been made since and it is understood that there is no immediate prospect of a plan for interest payment.

These bonds have had quite a sharp rise in market price in recent months. Current quotations of approximately 23 in New York funds compare with a low this year of 15½ and a range in 1942 from 10½ to 15½.

It is thought that current developments have generally been favorable to prospects for bond holders although when any definite settlement of interest will be made cannot be forecast at this time.

Montreal Island Power

Will you let me know what are the prospects of a dividend on the common stock of Montreal Island Power Co. and the market value of the shares?

Prospects for the common stock of Montreal Island Power Co., are not promising. Since its establishment, the company has not shown any earnings available on the junior issue, while there are very substantial arrears of dividends on the preferred stock. The prospects of any value being placed behind the common stock are remote. This is reflected in the market value of the shares which ranges from 25c. to $1 each.

Great Lakes Paper

I should like a brief report on Great Lakes Paper Co., especially with reference to the possibilities of paying up the arrears of dividends on the preferred.

Great Lakes Paper Co. last year paid $1.50 in dividends on its preferred stocks, same amount as in 1941. To date this year it has maintained payments at a corresponding rate, paying 25c. quarterly. After the July 2, 1943, payment arrears will amount to $9.75 a share.

The two classes of preferred shares carry a $2 cumulative dividend. Last year the company earned $2.90 a share on the preference and $2.27 a share in 1941. Although it appears that production of newsprint will be somewhat reduced this year by government order, this company has been able to build up an increasing output of sulphite pulps which will be of material assistance in maintaining earnings in 1943. It does not operate in areas to which power restrictions have yet been applied.

The Financial Post has no information to suggest that early action will be taken to clear up the arrears on these stocks. The company is making good progress in reducing its funded debt which now amounts to about $5 millions, a reduction of $1 million from the amount originally issued. Until these arrears are cleared away there is no prospect that any dividend can be paid on the common.

Western Canada Power

What has become of the Western Canada Power Co.?

Western Canada Power Co. was taken over in Feb., 1917, by Western Power Co. of Canada. In 1920, the latter company was acquired by the British Columbia Electric Railway Co., a subsidiary of British Columbia Power Corp.

Principal and interest on the $5 millions of 5% first mortgage bonds of Western Canada Power Co. were guaranteed and the issue was redeemed on July 1, 1939, at 105 and accrued interest. Trustee for this bond issue was the Royal Trust Co., Montreal.

Vancouver Power Co., controlled by British Columbia Electric Power & Gas Co., a unit of British Columbia Power Corp., owns 99.7% of the entire preferred and common stock of Western Power Co. of Canada.

Bathurst

Would you be kind enough to let me have information as to earnings and outlook on the common stock of Bathurst Power & Paper Co.?

Bathurst Power & Paper Co. reports a substantial decline in earnings for the first three months of 1943. According to the president, it would appear certain that no abatement of the trend in rising costs can be expected and if no relief is obtained in the matter of selling prices, earnings must be considered as being established on a definitely lower basis. The policy in regard to dividend payments, he added, must be related to the current earnings of the year.

This situation already has found reflection in the fact that the directors took no action in regard to the payment of the extra dividend on June 1. Up to the end of the last year, Bathurst had been able to show satisfactory earnings together with a strong financial position.

In 1942, the company earned $1.88 a share, which was well above the average of the last four years. Working capital at the end of the year of $4.2 millions was the largest reported in many years and equivalent to over $10 a share on the class A stock.

AGENCY MANAGER

Jack M. Raymond, who has been appointed manager of Kenyon & Eckhardt Ltd., Montreal, succeeding Louis E. Van Norman, who is leaving to join the U. S. army.

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Billion Can. Securities Still Held in U. K.

Finance Minister Ilsley Gives Estimates Based on 1942 Market Values and Defines Tax Status in Response to Questions

There is an estimated total of more than a billion dollars of Canadian securities still held in the United Kingdom, it is gathered from a reply made by Hon J. L. Ilsley, to a question by M. J. Coldwell.

Only official information available to the Canadian Government relates to holdings by U. K. residents of Canadian securities payable solely or optionally in Canadian dollars. These, Mr. Ilsley stated, include a relatively small amount of securities for which the principal market is in the United Kingdom.

In addition to this category, residents of the United Kingdom also own substantial amounts of Canadian securities payable only in sterling. An estimate has been made of the amount which Mr. Ilsley says "is necessarily rough and must be treated with reserve."

Holdings by U. K. residents in these two categories were valued toward the close of 1942 at market prices then prevailing. Adjustments have been made for reductions up to May 1, 1943, and the figures given in reply to Mr. Coldwell's queries. The figures given include only Canadian securities for which a market price is available in Canada or the United Kingdom and do not include investments of U. K. corporations in subsidiary companies or branches in Canada.

Mr. Coldwell asked specifically regarding government bonds, and bonds and stocks of Canadian Pacific Railway, Hudson's Bay Co., Canadian Industries, Ltd., Dominion Textiles, Lever Bros. and Courtaulds Ltd. Regarding the two latter companies, Mr. Ilsley pointed out that they were wholly-owned subsidiaries of U. K. companies and market value of holdings could not be determined.

Value of U. K. Holdings of Canadian Securities

	Payable solely or optionally in Can. dollars $ Millions	Payable solely in sterling £ Millions
All Candn. secs. ..	586.9	107.7 (†$477.1)
Dominion bonds .	nil	nil
Prov. & municipal	69.3	20.6 (†$91.3)
Canadian Pacific*	39.8	57.2 (†$253.4)
Hudson's Bay* ..	nil	5.1 (†$22.6)
Candn. Industries*	47.9	nil
Dominion Textile*	1.0	nil

*Includes bonds and stocks in case of Canadian Pacific and Dominion Textile; stocks only for Canadian Industries and Hudson's Bay; subsidiaries included in all cases. †Millions of Canadian dollars at $4.43 to the £1.

All Pay Taxes

All corporations and joint stock companies resident or carrying on business in Canada are subject to corporation income tax and excess profit tax on their Canadian profits, Mr. Ilsley added in reply to another question. All persons, whether individuals or corporations, who are resident outside of Canada are subject to an income tax of 15% in respect of dividends received from Canadian debtors. This tax does not apply, however, if the Canadian debtor is a wholly-owned subsidiary of a parent company resident outside of Canada.

Great Britain and Northern Ireland do not levy a corporation income tax but corporations are required to pay tax on profits when distributed, with the shareholders being entitled to take credit for his proportion against his personal income tax liability. Persons, whether individuals or corporations, carrying on business in these two countries may be subject to excess profit tax, depending on volume of profits earned in the taxation year as compared with standard profits.

Montreal Stock Trading Heavy

From Our Own Correspondent

MONTREAL.—Industrial shares traded on the Montreal Stock Exchange and Montreal Curb Market during May numbered 572,675. This is the largest monthly total since May, 1940, and compared with 158,550 shares in May, 1942.

The total for the first five months of the current year was 2,351,022 shares and surpasses that for the full year 1942 by 190,006 shares.

Canadian Pacific Revenue Rises

Net Income Gain in Apr. Indicates More Favorable Trend

From Our Own Correspondent

MONTREAL.—With an increase of 20% in gross income for April, Canadian Pacific Railways reports net earnings for the month totalled nearly $3.8 millions, an increase of $234,723 over the like month last year.

April	1943	1942
Gross income	$24,045,596	$20,621,507
Working expenses ..	20,254,726	17,065,360
Net earnings	3,790,870	3,556,147
January to April		
Gross income	$87,328,253	$78,266,351
Working expenses ..	74,859,941	64,726,193
Net earnings	12,468,312	13,540,158

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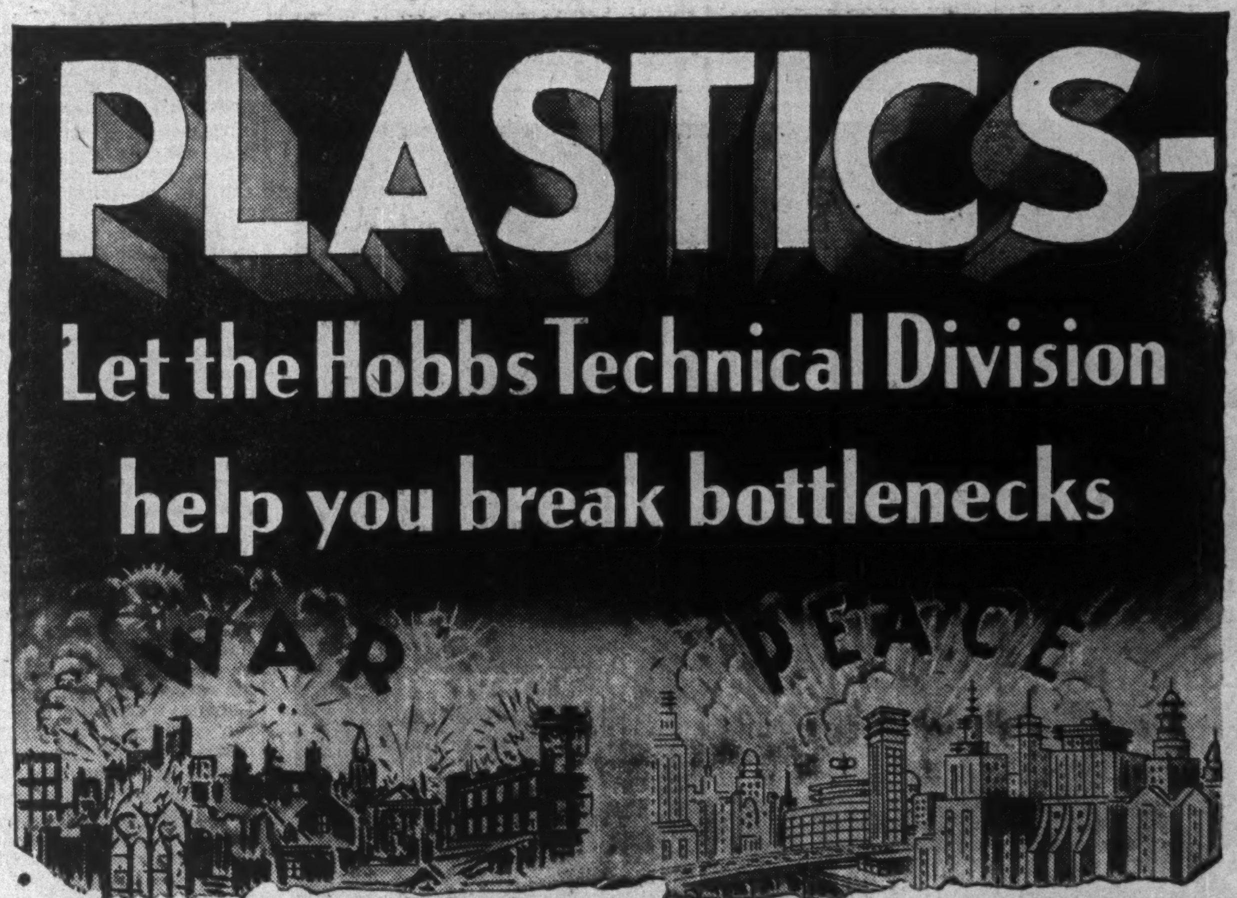

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In Your Opinion –

Should We Set Up Our Own Honors System?

Winslow Benson

Solicitor, National Trust Co., Hamilton, Ont.

This might have been a topical issue years ago before Canada attained nationhood and when colonialism worried us. Now I see little merit in change. Our traditions consist in how Canadians win the Victoria Cross not in how it is awarded. A different system means only distinctive names for awards. These would require equal significance but not equal prestige. Anyone prefers to compete in the big league. But why not bigger still than Empire? Why not a United Nations system of honors for heroism in this war and for distinguished citizenship in the greater society that heroism will create.

* * *

Carl P. Bethune

City solicitor, Halifax, N.S.

From a practical standpoint the present method results in uniformity in honors and awards for similar deeds or services which would not be obtained if each member of the British Commonwealth of Nations had its own official system. Moreover the ties of loyalty and affection which bind these member nations to our sovereign and to the Motherland give to honors and awards granted under the present system a significance and value which would be lessened if such were granted directly by the government of Canada. Every government has now available methods of rewarding distinguished service if it sees fit to do so.

* * *

Hon. Herbert A. Bruce

Pro.-Conservative member of House of Commons for Parkdale, Toronto, and a former lieutenant-governor of Ontario.

The privilege we enjoy as members of the British Empire, of having our King confer honors upon our citizens seems to me preferable to any system of our own. The present method, in my opinion, would be improved if the Leader of the Opposition had the right to recommend a certain proportion, say 20%, as I understand is the custom in Britain itself, instead of all being recommended by the Prime Minister of the day.

* * *

Capt. R. G. Cavell

Vice-president and general manager, Canadian Telephones and Supply Ltd., Toronto.

I feel that Canada should most certainly establish her own official system of honor awards for distinguished service. Canadian men and women are serving Canada, fighting for her, sacrificing for her, and through her for all mankind. If Canadians merit honor Canada should be able to bestow it. Also the place Canada has won with the United Nations would cause distinctly Canadian honors to be prized by distinguished foreigners. Such Canadian honors would assist in establishing Canada in her rightful place in the better world for which Canadians are fighting.

G. A. Clarke

Alderman and deputy mayor, Edmonton.

If the practice of giving honors for military and civil service is continued certainly these should be recommended by our own Canadian authorities as representatives of an independent nation within the commonwealth. However, great care should be exercised that selections are free of political influences and for distinctive service to Canada the indiscriminate giving of honors lowers their value. This should in no way be enforced as favorable to the giving of titles in Canada.

* * *

A. B. Dunlop

Neepawa Press, Neepawa, Man.

I do not believe Canada should adopt its own official system of honor awards for distinguished civil or military service. Any recognition not bestowed by the British sovereign would lack much of the honor and glory involved. Canada has not yet reached the status where such honors would be valued to the same extent as those bestowed by the King. Honors are usually recognized by the government and so far there seems to have been a good and impartial selection made, so why change it?

* * *

C. G. Dunn

President, Quebec Chronicle-Telegraph, Quebec.

The province of Quebec has long since created a precedent in the matter of honors awards with its order of agricultural merit more recently followed by its order of scholastic merit. In the early days of Confederation a Canadian medal used to be awarded to citizens for distinguished services outside of politics.

As long as His Majesty was not debarred from conferring British honors on Canadians and provided the system was so administered as to insure that awards would be on merit and free of political patronage, I believe it would tend to foster a greater national pride and consciousness if Canada were to have her own official honors awards similar to those of Quebec. But if there should be abuse or even room for reasonable criticism, more harm than good would almost certainly be done.

* * *

T. S. Ewart

Well-known Ottawa lawyer and authority on constitutional law.

The present system of awards to Canadians is altogether improper. Awards now granted are those instituted in the United Kingdom. They are not Canadian. Yet Canadian ministers and military officers presume to recommend that they be granted to Canadians and consequently are recommending the grant of something that does not belong to Canada and are interfering with the institution of the United Kingdom.

Borrowing awards from another country is unbefitting the dignity of any soverign states. They do not express any acknowledgments or appreciation by Canada for services rendered. Awards granted to Canadians should be those instituted in Canada.

* * *

F. W. Gershaw

Liberal member of the House of Commons for Medicine Hat, Alta.

The evidence given to the Committee on Honors and Decorations, last year, indicated that the Nickle resolution was interpreted in a way that resulted in Canadians not being eligible for honors available to members of other Empire forces.

The report recommended that "His Majesty's subjects ordinarily resident in Canada be eligible for awards of Honors and Decorations including awards of the Orders of Chivalry which do not involve Titles."

This allows great latitude to the commanding officers in battle zones for granting immediate awards and for the departments of the Canadian Government for recommending operational and periodic awards. I would not favor further expansion of the system at present.

* * *

C. H. Hale

Editor, Packet and Times, Orillia, Ont.

I see no need for a national system of honors for Canada. In the British Empire the King is the source of honors and awards of empire-wide significance received from His Majesty will be more highly esteemed than any handed out by our government through the Governor-General. It is, moreover, desirable to maintain as many as possible of the prerogatives of the British crown, the chief surviving symbol of empire unity. I have never had any sympathy with the restriction on lifetime titles, a characteristic British fashion of marking outstanding service to the state, and have looked on the refusal to accept them as a form of snobbery.

* * *

E. S. Hudson

Editor, Banner, Listowel, Ont.

Canada should certainly establish its own official system of honors and awards but not give titles. We don't need the latter in this democratic country of ours. Canada was made an independent member of the British Commonwealth of Nations and has the right to appoint its own ambassadors to other nations, also is independent of Britain for foreign policies.

Canada entered the war on its own and pays its own way. Under these circumstances we feel that Canada should recognize civil and military service, entirely independent of what Britain does.

* * *

Bruce Hutchison

Newspaperman and columnist, Victoria, B.C.

Of course it should, but why expect anything so intelligent from a country which has become the fourth power among the United Nations but still cannot achieve a flag of its own and leaves its constitution outside its own boundaries.

* * *

George R. Inglis

Mayor of Niagara Falls, Ont.

No change should be made in official system of honor awards for distinguished civil and military services at the present time. Empire unity is necessary for winning the war and controversial matters of this nature should be left in abeyance for postwar discussion.

The Question: Should Canada establish its own system of honors awards for distinguished civil and military service?

Watson Kirkconnell

Professor of English and well-known speaker and author, McMaster University, Hamilton.

I strongly oppose any separate system of Canadian honors awards as making for isolationism at a time when we need to be drawn closer to Britain and the sister Dominions within a strong world order. The dignity of our own national status is already fully vindicated. What we now require is fuller co-operation in a British fellowship of freedom-loving peoples and the King as a common source of honor and focus of loyalty has incomparable value in binding us together. The existing honor system, empire wide in application, encourages our sense of unity in freedom and duty.

W. L. MacTavish

Editor, The Province, Vancouver.

The question should be answered mainly in the negative.

The present system of honors awards is satisfactory if due care is exercised by the Canadian government not to cheapen them. Non-hereditary titles in the various orders might well be open to Canadians—sparingly conferred of course.

One distinctively Canadian order might be created—a Canadian order of merit in which not more than one or two distinguished Canadians each year might be honored by the King of Canada. If created it should be as carefully safeguarded as the order of merit is in Great Britain.

* * *

Abbé Arthur Maheux

Quebec City.

Canada is old, prosperous and responsible enough to create and distribute its own honor awards for distinguished service, civilian and military, provided the system be based on the principle of a nation with a dual education and language in which both the English and French groups live and work as partners and equals, by suppressing the too mathematical expressions of majority and minority to consider human, spiritual and historical values.

Dr. F. W. Patterson

President, Acadia University, Wolfville, N.S.

Yes. If honors are to be accepted it is more in keeping with Canada's position in the Commonwealth to establish its own system of awards. To be dependent entirely upon awards from Great Britain suggests colonial status and not equality of nationhood. Such awards, however, should be given only for distinguished service and should be safeguarded against the ever-present danger of exploitation. They should also be such as to create no special class or caste.

* * *

E. S. Perley

Pro.-Conservative member House of Commons for Qu'Appelle, Sask.

I am undecided. The system adopted would be an important factor. The last awards were unfair as only seven farmers were mentioned.

* * *

D. B. Rogers

Editor, Leader-Post, Regina, Sask.

A single purely Canadian order of merit with military and civilian sections, or a reward only for extraordinary service would certainly be preferable to continuance of the present system of wholesale distribution of British chivalry awards.

* * *

F. R. Scott

Professor of law, McGill University, Montreal.

I certainly think that Canada should establish her own system of honors for distinguished civil and military service by Canadians. The conferring of honors is part of the royal prerogative and this should be transferred to our Governor General and exercised on the recommendation of an official Canadian body.

No self-respecting nation waits upon the action of another before honoring the achievements of its citizens. Let us, through our own procedures, build a native tradition of respect for our outstanding leaders and our creative minds, and let us place the responsibility in the hands of a representative body free from any political relationship. He who has well served his country deserves this recognition.

* * *

Ralph E. White

Editor, Sentinel, Kamloops, B.C.

I am not in favor of a separate Canadian system of honors awards. I believe the empire-wide system would place higher value on awards, and I am definitely against any honors involving the use of titles. We do not want titles of any sort in Canada.

C. P. R. Plans Replacements For Postwar

Extensive Program Being Prepared to Maintain Employment

From Our Own Correspondent

MONTREAL.—Canadian Pacific Railway's postwar expenditures for special maintenance and deferred improvements, for some years after the war, should be sufficient to sustain the company's total direct and indirect employment of labor at a level close to that now existing, W. M. Neal, vice-president of the company told the Special Committee of the House of Commons on Reconstruction and Re-establishment.

At present a committee of company officials is preparing a schedule of projects covering rail, sea and air transportation, taking into consideration not only replacement of equipment, engines and rolling stock, but also ships to replace those lost by enemy action and the expanding role which the Canadian Pacific is playing in carrying commercial air cargo. Furthermore, he added, it is the intention of the company "to expand its air operations both within Canada and abroad as far and as fast as opportunities offer, consistent with government policy."

Must Pay Way

The company's proposed postwar plan as set out by Mr. Neal was hedged with certain qualifications. None of the projects under consideration has been chosen, or will be carried out, he said, unless it can be demonstrated to represent a sound investment of money. Along these lines, he said, it does not appear to be a reasonable function of a private corporation in a country such as Canada, where the opportunity for the creation of wealth is great, to make work for the sole purpose of furnishing employment.

The second qualification set out by Mr. Neal was that should the same condition of general alarm over international and internal political prospects exist after the war as existed in the decade before the war, "it would be entirely hopeless for the company to attempt to furnish any such scheme of reconstruction work."

Covers Wide Field

Getting down to details, Mr. Neal told the committee that activities under study include, among other things, large scale special maintenance projects; improvement of tracks and bridges; increasing capacity and weight of locomotives; new line construction to serve areas now settled and not served by railway; opening up new areas for settlement; construction, enlargement and improvement of structures such as shops, engine houses, freight sheds, passenger stations, fuel and water plants, additions to and replacement in coastal steamships, equipment and facilities.

Further technical improvement in the company's communication services in the fields of telegraphy, telephony and radio, expansion of air transport services, purchase of rolling stock, signal and interlocking apparatus, steamships were contemplated. In connection with the latter, Mr. Neal said "the character of future ocean transportation is too uncertain to permit of definite comment at this time."

The postwar plans of the Canadian Pacific, Mr. Neal emphasized, should not be interpreted as an undertaking that the company will then employ a staff as large as at present, "but as an estimate that postwar employment, including both employment directly by the company and employment created by the company's expenditures for material, equipment and supplies, will keep the company's total contribution to national employment at a level approximately that now existing."

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MONTREAL TORONTO

TCA Sets New Record In Passengers Carried

Trans-Canada Air Lines set a new all-time high record in April for the number of passengers carried. Total for the month was 11,537, an increase of 30.9% over the like period of last year.

For the first four months of the current year, TCA carried 39,889 passengers, an advance of 43.6% over the aggregate in the like period last year.

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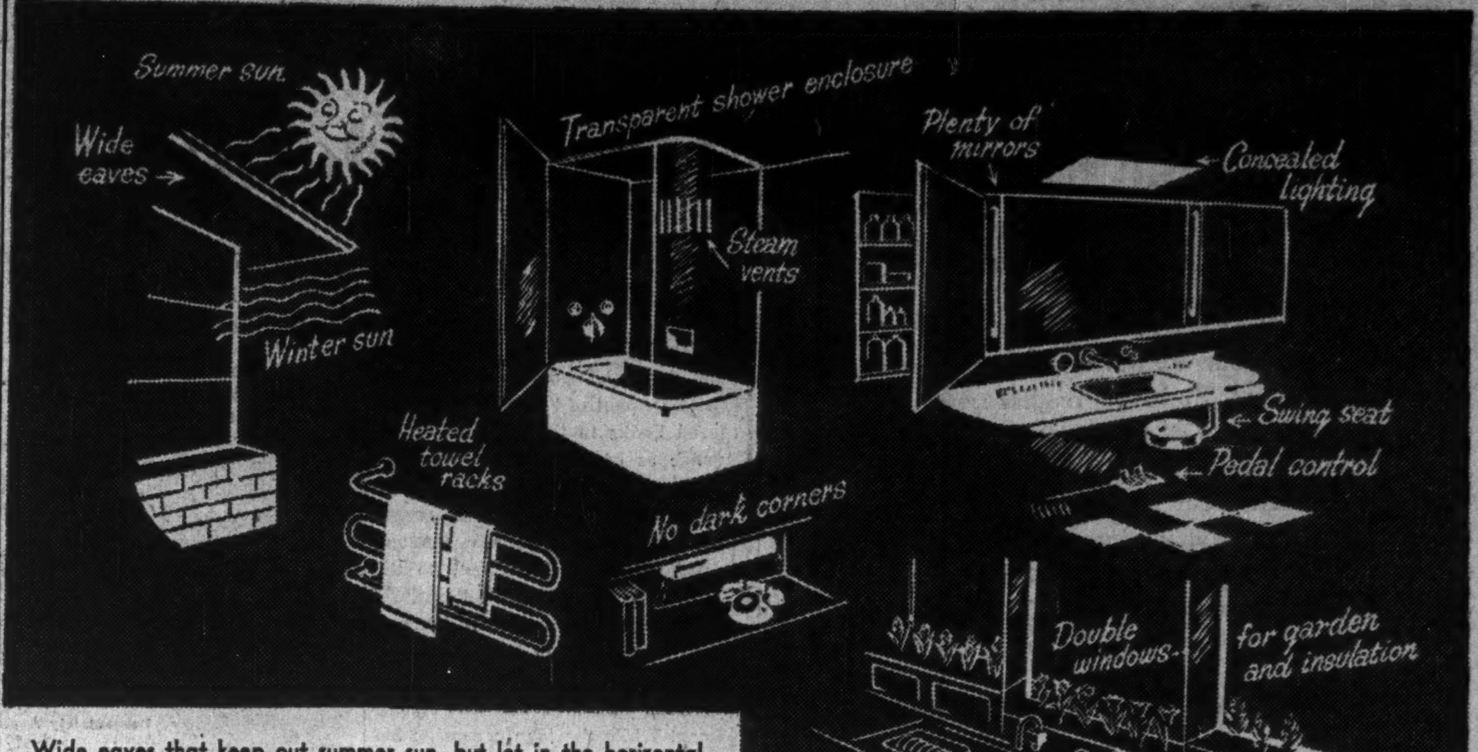
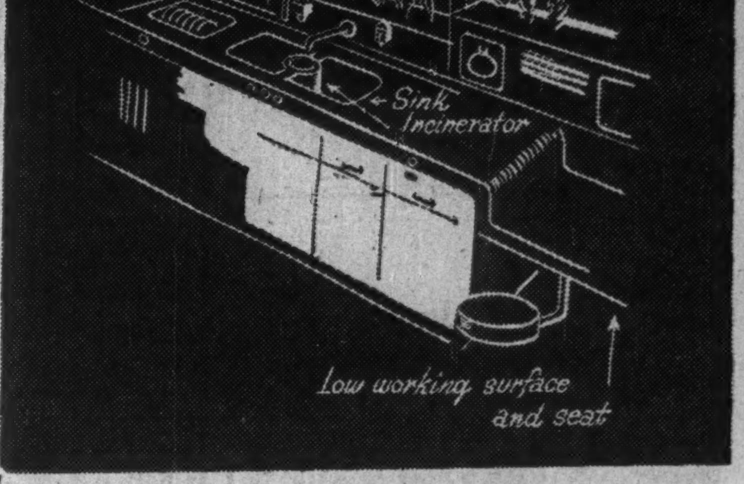
THE FINANCIAL POST
Canada's Foremost Business Newspaper
Toronto, June 12, 1943

Tomorrow's House

In these articles The Financial Post presents the two most significant factors about postwar housing — what the intelligent consumer will demand, what the architect and the building industry can supply. This conjunction of supply and demand for modern housing will undoubtedly become one of the prime business forces in the post-war world, will provide scores of opportunities for investment, for enterprise, for labor and for management and salesmanship. The task for business lies in bridging the gap between the designer of homes and the buyer of homes.

Wide eaves that keep out summer sun, but let in the horizontal rays of winter are among the "musts" of the home maker.

Here's What I Want — Homemaker

By HELEN G. CAMPBELL

The more I hear of the future the better I like it.

Architects, builders, engineers, manufacturers are beginning to hint at a way of living more convenient, comfortable and healthful than any we've known in the past. Soon, as soon after Victory as our national economy and industry can be geared again to peacetime production, the dreams of today will become the actualities of tomorrow.

Even now they're blueprinting the future. Tucked away in their laboratories are the recipes for new materials and the formulae by which traditional ones can be adapted to modern use. Filed in their cabinets are the plans for economical construction of vastly improved houses, equipment, furnishings within the reach not only of millionaires and movie-stars, but of ordinary mortals like you and me.

One Sure Thing

Now I don't pretend to be a prophet; I'm betting on a sure thing. Already there have been built and lived in houses which are the proof of the pudding and a preview of what the future will provide. In them are crystallized many novel features and revolutionary but sensible principles. The one for instance of using colossal windows and a roof with wide overhang designed to give shade from the high-riding summer sun and to harness the heat of its rays in winter time when it travels in a comparatively low arc. I want that innovation in my postwar house for the simple reason that by adapting itself to the seasons and fulfilling a two-fold purpose it cuts fuel bills and gives greater year-round comfort.

Another fuel-saver which looks good to me is the system by which the walls and floors are warmed rather than the enclosed air of the room. The idea behind "panel" heating is that if surrounding surfaces are warmed, more heat is retained by your body and you are comfortable in an atmosphere several degrees cooler than we now require our furnaces to produce. I don't claim to understand it exactly but I'm for it if it rids me of that hungry demon in my basement or curbs its appetite. So a bond or two is earmarked for this or any other device which will do a good but unobtrusive job of licking the climate at reasonable cost without making the air we breathe for several months as super-heated and super-dry as the Libyan desert.

Complement to an efficient heating system I want a cooling one. In fact I go the whole hog and ask for weather to order at any season — temperature controlled, humidity regulated, air purified and atmosphere benign.

Such a climate indoors will not only be kind to my sinuses and complexion but easy on rugs and furnishings, delaying disintegration and making repeated cleanings unnecessary or reducing them to a minimum. Then if there is no dust there'll be no dusting and one bane of my life will be banished.

Of course, most of us managed to keep ourselves warm before the war and a few were able to enjoy the blessings of conditioned air. All I'm asking of the coming era are units improved in performance and reduced in cost to the point where most people—including me—can afford them.

Forward Better Lighting

Scientifically planned lighting is something we haven't had much of so far but may expect in the future. And whether or not you like the idea of prefabricated mass-produced homes here is one big point in their favor. A design for really good illumination of each individual house would cost out of all proportion to most pocket-books but the same design applied to a number of dwellings and shared by a number of buyers might put it within our reach. Then we can save eyes and shins, even read in bed with some degree of comfort.

Sound control is another blessing in the offing. Architects and engineers are for the first time analyzing acoustics in relation to the small home as well as the factory and concert hall. It's possible, they're saying, to confine the rumpus to the rumpus room, the clatter of dishes to the kitchen and even to achieve a quiet corner at one end of the room while the radio gives forth the latest in jazz at the other. So maybe those pearls above price — peace and quiet — may be provided in my new house through the conditioning of sound within it.

Anything But "Outlandish"

What will postwar house look like? Though its components may roll off factory assembly lines it can still have its own individuality. As far as the outside goes it can be traditional style or even a little "queer" for all I care, but it mustn't be outlandish. The main thing is that it sits on a decent-sized bit of ground and is in harmony with its surroundings.

My lot slopes south. It has a tall tree or two. There's room at the back for a small kitchen garden. There are two terraces so that I can always have my place in the sun on a coolish day or take to the shady side when it's hot. And there's a clipped hedge around the whole works to give me privacy. If I'm going in for extravagance let it be some espalier fruit trees rather than a lily pond.

My back garden will be my second front with the main rooms of the house facing or partly enclosing it. Provided, of course, that my neighbors do likewise or that I can shut out the view of necessary but uninspiring activities next door. But the kitchen must have easy access to it for there I intend to eat al fresco meals and drink, with a clear conscience and at any hour, innumerable cups of tea.

Importance of Windows

The windows which are a part of the heating system will marry the house to its surroundings. They'll be huge but not as overpowering as in many modern designs. Not reaching right to the floor for instance, even if the glass is one-way vision I don't want to feel so completely a part of nature especially on a rainy day or when a blizzard is blowing. Give me a picture window wherever there's a view but not such vast expanses that I won't know whether I'm in or out and I'll have to worry about who is going to wash them.

The actual plan and design of the house can be left to an architect who knows how to relate it to its setting. But here are a few "musts" I'll put up to him. A bedroom downstairs—in case of arthritis. In the meantime it can do duty as a den, library or guest-room. A dining room, in spite of anything anybody says. I'll admit it's the least used room and, therefore, the most expensive, but I like my food and I want an allocation for eating it. Besides I hate crumbs on the living room floor and guests object to the vacuum cleaner running over their feet.

A bathroom incorporating such marvels as a warm floor, heated towel racks, plenty of them, instant hot water, a washbasin sunk in a streamlined counter equipped with storage space and a soap container that really drains, an enclosed shower with the temperature of the water automatically regulated, an exhaust grille for steam, an outside medicine or cosmetic chest, adjustable mirror and a built-in sunray lamp. All prefabricated in one or two pieces and chosen as a complete unit. Not so costly either when mass-produced.

Most important of all, I want a kitchen that puts more emphasis on convenience than in streamlining.

Streamlining is all very well but it can be and I think it has been carried to excess. In my postwar workshop I want a good expanse of continuous one-level counter molded all of a piece, if possible, with the tops of neighboring equipment to eliminate crumb-catching seams or joins. But I'd like a lower surface somewhere under which I can get my knees and above which I can spread my elbows to shell peas, pick cherries, pack a lunch box, clean the silver and do a dozen other sit-down jobs.

Give me plenty of smooth-face cabinets well tailored for their various purposes—a cooled compartment for vegetable storage, a place for filing, not piling—pot lids, trays, cookie sheets and so on, a place for the toaster, the roaster and other small appliances, one for cleaning supplies as well as plenty of others for pots and pans and dishes. But I won't hide all my utensils behind doors or drawers but have the constantly used ones out in full view and within easy reach. Should a workman be ashamed of his tools?

I want an efficient gadget for disposing of kitchen waste, an efficient system for drawing in fresh air and exhausting cooking odors (but the air conditioning unit will probably attend to that). If structurally feasible I'll ask for windows below the upper cabinets in addition to large outlook elsewhere.

I'm saving now for equipment packed with potentialities for service but devoid of gadgetry. Ways and means of increasing efficiency are being studied while models are frozen, so who knows what form they'll take in the future. One designer comes up with the idea of a cylindrical refrigerator with plastic shelves on the lazy-daisy order revolving to bring everything right to hand. Another equips storage compartments—for food, ice, bottles, fast-frozen products — with glass fronts, and spots them in various strategic positions within the kitchen counter. The range, too, is under scrutiny with a view to improvement. Will the oven again come up where it belongs? Or will we have a stove on the split-unit system, instead of all of a piece as we now know it?

My kitchen will be somewhere between pint-size and rambling. I don't want to walk unnecessary miles but I do want room enough to swing a cat if I'd like to.

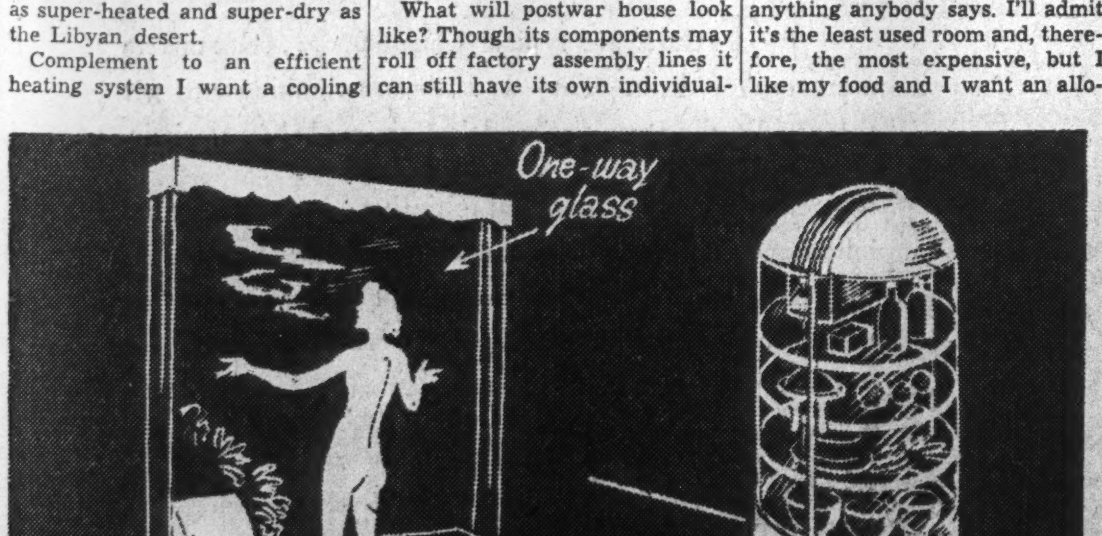
If it's a toss-up between a breakfast nook or a small laundry adjacent, the laundry wins. It can double as a sewing room or even as a dinette. Or it might serve many other purposes—dividing the bulbs, spraying the plants and the like.

When I have my say, living room, bedrooms, dining room and hall will go strong on built-ins, with doors that slide into the walls, movable furniture that is easily movable—even the chesterfield yielding to persuasion without the help of two men and a boy. Won't somebody please make me bureau drawers that don't stick, mattresses that turn on their own axis at a mere touch, a bedside table with a swinging tray and a reading lamp that shines on the page.

For the first time in my life I'm going to have enough closets—not merely holes in the wall but commodious built-ins outfitted with racks and drawers and hangers and properly designed to lick the shelf shortage. Mass-produced and flexible, they'll settle happily into any environment and adapt themselves to serve the cause of neatness.

So there you have it, the house my bonds will buy.

Helen G. Campbell, who writes of the modern house from the standpoint of what women would like to have, is director of Chatelaine Institute, maintained by Chatelaine Magazine. Miss Campbell's articles appear each month in Chatelaine and Maclean's Magazine.



Controlled transparency — light, but not vision, can enter the sunroom.

Here's What I Can Give — Architect

By GORDON S. ADAMSON

Panel heating that eliminates radiators, bathrooms that come in packages ready to be installed, air-conditioning and kitchens that include fabulous conveniences are all quite likely for the postwar house.

New materials, such as plywood, plastics, enamelled and rustless steel or fire-resistant wood, will have a place.

But perhaps none of these will have quite the place that is pictured by some of the more imaginative literature current today.

All this is not new to forward-looking architects who have felt that the subdivision type of stylized house no longer fits in with present-day living.

But those who have attempted to introduce major changes have found that tradition plays a big part in the thinking of the average prospective house owner. People who talk glibly of up-to-date houses oppose anything radically different when it comes to building their own homes.

But the primary requirement for planning postwar housing is a thorough study of the fundamental requirements in planning and design. The house must be related to the grounds in which it is built. It must be oriented to the sun at different periods of the day, while sizes and shapes of rooms and their relation to one another can mean the decision on one style instead of another.

The functions of rooms or combination of rooms; multi-use of rooms and provision of proper space for attractive and functional arrangement of furniture must be considered.

Windows are no longer placed and proportioned merely for exterior or interior effect. They should provide adequate natural light where it is most needed. When properly designed and located they may unite the house to the grounds and add to the enjoyment of the house by the occupants. This blending of the interior with the exterior may be aided by a proper use of terraces, walks, hedges and other planting, all of which should be considered a part of the house plan.

Very little of what is being heralded as revolutionary and new is actually new, except as may come within the category of materials, or mechanical improvements. A house should be a "Machine for Living" inasmuch as it should fulfil the purpose for which it is intended. It is not, however, just the solution to a scientific problem as some would lead us to believe. House design has to do with human relationships and human expression. If it is to give lasting satisfaction, it must also be aesthetically satisfying.

Houses have been built and lived in which are a preview of what the future will provide. From them we are able to formulate our own plans for the future, but to copy them completely would be unwise. Majority of such houses have been built in the south, particularly California, where climatic conditions are quite different from ours. There the problem is to keep cool, not warm. At the New York World's Fair many innovations were incorporated in demonstration buildings for a variety of building products. One of these was the famous glass house in which emphasis on glass was so great that the designer ignored such fundamental things as insulation against cold and heat and the prevention of undue infiltration of air.

Colossal windows will have their place in our future building program but they must be handled with care. To sit in one's living room or library and look into a garden or lawn through large unbroken sheets of glass is pleasurable. Trees and shrubs when viewed this way seem to be more beautiful than otherwise.

Consider Exposures

Very large windows from north exposures have been used successfully in well sheltered areas, but are not to be recommended for east exposure because of the severe storms which come from that direction. When used with south or west exposures the difficulty is with heat rather than cold. In such cases the heat from the sun's rays raises the temperature within the house and actually reduces the heat required from the heating system.

The shading of such windows from the sun by means of heavy overhanging cornices or roof projections brings up the whole question of room design. Examples in which this method has been used are predominantly of the flat roof type, or of the type where the roof is pitched one way only.

From a functional point of view and considered in the light of cost they are quite good. In a proper setting a flat-roofed house may be very attractive. The average home owner, however, is not enthusiastic and the same may be said of some municipal councils and other bodies entrusted with the responsibility of passing upon designs of houses which come under their jurisdiction. This in itself is enough to convince me that there will be no immediate wholesale acceptance of the "postwar house" as it is now imagined.

I mentioned "panel" heating. As in all heating systems there are certain technical requirements which are peculiar to the system employed. In panel heating, the heat sources are embedded in the construction, often consisting of piping cast in concrete. This piping may be located in the walls, floors, or ceilings, or all three. Precautions against freezing of the circulating medium must be taken. Since draining of the piping system is one of the most certain ways of causing corrosion in the pipes, the liquid used should not be pure water but an anti-freeze mixture with a low freezing point and a reasonably high boiling point.

The advantages of the panel system, which eliminates all radiators, grilles, and other visible signs of the heating system, are so great as to outweigh the increase in original cost of installation over the common systems. It alone amongst heating systems provides the means of heating floors placed directly on the ground, which suggests in some cases the elimination of the basement.

Help for Hay Fever

Without doubt air-conditioning systems, relatively draught free, with controlled atmospheric conditions, will be extensively used either as heating mediums or complementary to other heating systems. It is not too much to expect that, where required, they will filter hay-fever and asthma pollens.

Much may be done in the way of scientific lighting of houses. In general, light sources should be concealed. There should be good general illumination in every room with light of high intensity where needed for reading or working. It is doubtful, however, if table and floor lamps will disappear, since in many cases they are chosen for their decorative value. It is rumored that there will be available automatic lighting governed by electric "eyes," sensitive to outside variations in the daylight.

Weird and wonderful are the bathrooms predicted for the future. They may be spacious, with accommodation for linen-cupboard, dressing table, mirrors and all the paraphernalia which is usually associated with dressing rooms, or they may be small, not more than 4ft. 6 in. square, with the basin hinged to swing down over the toilet as in the case of Pullman car apartments.

They may be constructed in the same manner as at present or may come as packaged units ready for installation with the shower, tub, toilet and lavatory, also electric fixtures, all part of the wall panels, integral with the baseboard. In such cases, all that would be required would be for the panels to be erected, the electric wiring connected to an adjacent junction box provided in the house wiring, and the hot, cold and waste fittings connected by the plumber to the house plumbing.

Such units would eliminate many construction joints, the necessity of matching colors in units by different manufacturers and much of the labor on the job as required in our present setup.

Adoption of this idea will depend largely on whether the manufacturers produce really good looking units at a price which is lower than the price of a bath assembled in the usual manner and whether they put their product on the market in a way which will stimulate public interest and create demand. Preheated bath tubs, steamproof shower enclosures, faucets which will be operated by remote control by knee o. toe pressure and automatic temperature control in the hot water lines will no doubt be available to those who can afford them. It should be remembered that mechanical devices sometimes give trouble and for that reason should be kept to a minimum.

The kitchen which incorporates any number of conveniences and aids is of the sort which would gladden the heart of any woman who has to spend much time in it. To my knowledge, there is no reason why all her wishes should not be fulfilled.

Prefabrication is a word which has acquired all sorts of meanings which do not belong to it. It simply means to "produce before." The question of prefabrication now before us is to what extent houses shall be prefabricated. All manufactured goods are produced before, including plumbing and lighting fixtures, heating furnaces and boilers, dressed lumber, sash, shingles, doors and so on. In many cases door and window frames and kitchen cupboards have been mill-built.

As a result of the urgency in the program of housing war workers, great strides have been made in the further use of prefabrication. Floors, walls and roofs have been built in the mills in job lots and erected in record time on the site.

In some cases the cost of this method of construction is less than the custom-built variety, but it is not always so. The prefabrication method suggests greater accuracy and precision but there is so much detailed drawing connected with the production of each type or pattern that the number of designs available may be limited.

Prefabrication may come into common use for group or government subsidized housing or even individual houses in the low cost bracket.

It is doubtful whether it will ever be a factor in the field of the medium priced or large house. People do not like to be regimented. A further reason for believing that houses will continue to be built by traditional methods is that most houses are built for sale by speculative builders who are not likely to give up their means of livelihood in favor of houses which may be erected in a day. Furthermore, until prefabricated houses are made of fire-resisting materials which will satisfy the building codes of cities and towns in which it is proposed to locate them, use is not likely to be approved.

Plastics In Tomorrow's House

There seems to be a popular opinion that the postwar house will be built almost entirely of plastics. This conception is quite wrong. Houses will continue to be constructed of brick, stone, concrete or frame as they have been. Because much of what has been published on plastics has been either too technical to be understood or of an "inspirational"

(Continued on page 20)

Gordon S. Adamson, an architect in general practice in Toronto, is particularly interested in designing of homes. He is vice-chairman of the Toronto chapter of the Ontario Association of Architects, on the editorial board of the Journal of the Royal Architectural Institute of Canada and has lectured at the Ontario Museum on history of architecture and architectural design.

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Bank Trends

Bank Deposits Rise Sharply in April

Reach New High Just Before Victory Loan Payments

New high records in both savings and demand deposits are shown in the statement of the Canadian chartered banks to the Minister of Finance as of April 30. Savings deposits at $1.9 billions were $36 millions above the previous record established in March. Demand deposits rose $141 millions to the new high level of $1.8 billions.

The increase in deposits, bankers say, is the result of individuals and corporations mobilizing their money in anticipation of the 4th Victory Loan. While the loan campaign began in April, most of the payments were effected in May and, consequently, May rather than April, is expected to reflect the main effects of the Victory Loan. Compared with last year savings deposits were up $389 millions and demand deposits up $568 millions.

A decline in Dominion Government deposits was further evidence that, up to the end of May, the treasury had not been enriched by money from the loan.

Deposits of the provincial governments, however, were higher both for the month and for the year.

Loans of the banks continued downward, total loans in Canada being $30 millions below the previous month and $287 millions below last year. The decline was mainly in current loans, although loans to the provinces and municipalities were also lower. Call loans in Canada were slightly higher reflecting increased activity on the stock exchanges.

While loans declined, bank investments increased, rising $129 millions over the previous month and $919 millions over last year. The increase is understood to be in short term deposit certificates mainly, as the amount of these sold during the month by the Dominion Government to the banks was $165 millions.

Outside Canada, current loans were higher during the month, but lower than a year ago. Call loans abroad were up in both comparisons. Foreign deposits also were higher.

Important figures for April 30 with monthly and yearly comparisons follow:

Use of Bank Credits
(In Millions of Dollars)

	April 1943	March 1943	Change	April 1942	Change
	$	$	$	$	$
Loans	996.3	1,026.6	—30.3	1,283.6	—287.3
Investment	2,818.4	2,688.6	+129.8	1,898.9	+919.5
Total	3,814.7	3,715.2	+99.5	3,182.5	+632.2
Deposits	3,726.4	3,548.5	+177.9	2,769.4	+957.0
Credit index*	24.9%	27.0%	—2.1%	42.8%	—17.9%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS

	April 1943	March 1943	Change	April 1942	Change
	$	$	$	$	$
Immediately Available Liquid Assets					
Canadian coin	6,612,287	6,769,931	—157,644	7,399,441	—787,154
Bk. of Can. notes	108,637,557	108,713,169	—75,612	99,873,592	+8,763,965
Bk. of Can depos.	284,435,274	260,982,926	+23,452,348	214,771,755	+69,663,519
Bank's cash	399,685,116	376,466,026	+23,219,092	322,044,788	+77,640,330
Other bank's notes	1,175,034	1,150,939	+24,095	2,090,366	—915,332
Gold sub. coin abd	2,589,349	2,644,673	—55,324	2,747,180	—157,831
Foreign banks	193,610,713	203,614,103	—10,003,390	179,718,977	+13,891,736
Foreign currency	48,603,707	47,985,623	+618,084	33,940,233	+14,663,474
Gov. sec. sht. term	1,785,717,533	1,656,813,805	+128,903,728	707,155,952	+1,078,561,581
Do., long term	718,516,149	714,529,492	+3,986,657	933,834,730	—215,318,581
Call loans abroad	90,722,684	81,012,700	+9,709,984	52,819,463	+37,903,221
	3,240,620,287	3,084,217,361	+156,402,926	2,234,351,689	+1,006,268,598
Loans and Other Securities Other Than Those of Canadian Government					
Municipal secs.	66,695,849	67,152,621	—456,772	82,128,373	—15,432,524
Public secs.‡	168,560,573	164,812,100	+3,748,473	89,826,652	+78,733,921
Other secs.	78,904,955	85,254,427	—6,349,472	86,006,535	—7,101,580
Can. call loans	25,128,634	23,676,789	+1,451,845	[illegible]1,827,364	—6,698,730
Current loans	905,021,219	936,142,073	—31,120,854	1,155,818,008	—250,796,789
Loans abroad	113,766,202	111,598,943	+2,167,259	141,983,471	—28,217,269
Prov. loans	4,030,461	4,691,835	—661,374	10,399,135	—6,368,674
Mun. loans	62,119,219	62,140,863	—21,644	85,537,543	—23,418,324
	1,424,227,112	1,455,469,651	—31,242,539	1,683,527,081	—259,299,969
Other Assets					
Non-current loans	2,963,935	3,063,879	—99,944	4,269,119	—1,305,184
Real estate	5,175,130	5,304,836	—129,706	6,219,847	—1,044,717
Mortgages	3,251,825	3,314,256	—62,431	3,403,999	—152,174
Premises	67,385,233	67,448,771	—63,538	69,641,534	—2,256,301
Letters of credit	105,547,676	108,687,879	—3,120,203	124,484,031	—18,936,355
Loans to comp.	10,799,689	11,121,773	—322,084	10,712,229	+87,460
Other assets	2,436,102	2,490,381	—54,279	2,159,564	+276,538
	197,559,590	201,411,775	—3,852,185	220,890,323	—23,330,733
Total	4,862,406,989	4,741,098,787	+121,308,202	4,138,769,093	+723,637,896
Note circ. dep.	4,035,429	4,033,353	+2,076	4,501,297	—465,868
Int. bank bal.	224,855,590	168,415,061	+56,440,529	176,328,451	+48,527,139
Gross	5,091,298,008	4,913,547,201	+177,750,807	4,319,598,841	+771,699,167

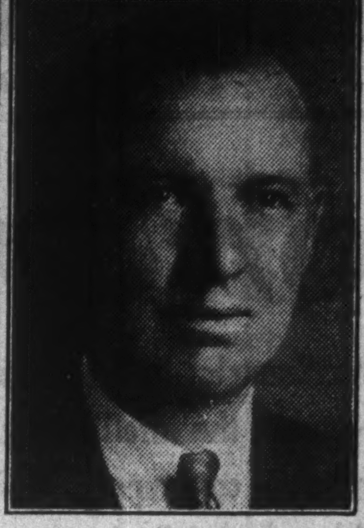
LIABILITIES

	April 1943	March 1943	Change	April 1942	Change
To the Public					
Circulation	53,238,538	54,965,149	—1,726,611	73,795,475	—20,556,937
Dom. Govt.	143,986,668	168,521,726	—24,535,058	429,881,731	—285,895,063
Prov. Govt.	113,283,866	99,083,806	+14,200,060	62,948,472	+50,335,394
Deposits by Public					
Demand dep.	1,800,205,252	1,658,976,273	+141,228,979	1,232,245,938	+567,959,314
Savings dep.	1,926,252,212	1,889,542,539	+36,709,673	1,537,144,724	+389,107,488
Total	3,726,457,464	3,548,518,812	+177,938,652	2,769,390,662	+957,066,802
Foreign dep.	562,664,807	550,141,279	+12,523,528	486,303,305	+76,361,502
Due to Banks Abroad					
United Kingdom	32,483,838	31,125,756	+1,358,082	21,680,512	+10,803,326
Foreign	34,385,603	30,732,283	+3,653,320	32,482,090	+1,903,513
Bills payable	......	......	......	28,019	—28,019
Letters of credit	105,547,676	108,667,879	—3,120,203	124,484,031	—18,936,355
Other liabs.	4,532,632	4,409,393	+123,239	4,093,453	+439,179
Total pub. liabs.	4,776,581,092	4,596,166,083	+180,415,009	4,005,087,750	+771,493,342
Due bet. banks	15,083,258	15,256,326	—173,068	17,495,634	—2,412,376
Liability to Shareholders					
Dividends	2,174,340	1,197,888	+976,452	2,785,739	—611,399
Reserve	136,750,000	136,750,000	......	134,750,000	+2,000,000
Capital	145,500,000	145,500,000	......	145,500,000	+2,000,000
Gross	5,076,088,690	4,894,870,297	+181,218,393	4,305,619,123	+770,469,567

‡Other than Canadian.

WIRE SUPERVISOR

R. M. MacMillan, previously Canadian National Telegraphs' Montreal superintendent, who has been named general superintendent of the eastern region, with headquarters at Toronto.



BANK SUPERVISOR

D. A. Y. Merrick, who has been appointed chief supervisor of branches of the Bank of Nova Scotia. Mr. Merrick for the past three years has been a district supervisor with office in Toronto. He succeeds Grant Macintyre now an assistant general manager.

Recovery Seen In Note Issue

Bank of Canada Circulation Rises — Total Assets Down

After two successive declines in preceding weeks, note circulation of the Bank of Canada, in the week ended June 2, showed an increase of about $5 millions, the weekly statement of the bank shows. The previous declines were attributed mainly to reduced use of cash by the public following the Victory Loan campaign.

The recovery has probably been expedited by seasonal influences which usually bring expansion in currency in June. Deposits of both the Dominion Government and the chartered banks were substantially lower. The decline in the deposits of the chartered banks with the Bank of Canada is believed due to the chartered banks reducing their reserves as public deposits with them fell when people made payments on Victory loan purchases.

On the credit side, investments of the bank and miscellaneous assets were down while holdings of sterling rose slightly.

Liabilities	June 2 1943	May 26 1943
Capital paid-up	$ 5,000,000	$ 5,000,000
Notes in circ.	749,858,704	744,789,989
Rest fund	6,472,953	6,472,953
Deposits: Dom.	54,007,868	64,065,697
Banks	302,261,290	338,180,412
Other	25,362,909	18,785,015
Total deposits	381,632,067	419,031,124
All other	18,000,175	12,371,888
Total liabs.	1,160,963,899	1,187,665,954
Assets		
In Sterling & U. S.	20,584,023	18,384,023
Subsid. coin	137,757	174,700
Investments:		
Dom. gov. sh.	818,670,157	846,049,861
Other Dom. gov.	302,898,974	299,625,936
Total invest.	1,121,569,131	1,145,675,797
Premises	2,097,318	2,097,098
All other assets	16,575,670	21,334,336
Total assets	1,160,963,899	1,187,665,954

Standard Fuel Co. has declared a dividend of $2 a share on its preferred stock, payable July 1, 1943, to shareholders of record June 15. Of this dividend, $1 applies to the current quarter ending June 30 and $1 toward arrears. Following the latest payments, arrears will amount to $9 a share. The company has paid $4 a share annually since 1939, while the stock carries a cumulative $6.50 annual rate.

Meat Rationing Doubles Coupon Bank Business

Rationing of meat is reported to have just about doubled the amount of ration coupon business being done by the chartered banks. Meat is the fifth rationed commodity for which the coupons go through the banks, the others being tea, coffee, sugar and butter. Beer and gasoline coupons are not banked.

Before meat rationing, it was estimated that about 24 million coupons were being exchanged weekly. Meat coupons are expected to bring this up to nearly 48 million.

With ration coupon banking in operation now for over three months, bankers state that operations are proceeding smoothly and the situation is better than they expected.

A Necessary Nuisance

It is, many of them say, a nuisance, adding materially to routine when they are handicapped by a shortage of experienced staff. So far the banks are being paid nothing for their work. They believe they will ultimately be allowed at least out of pocket expenses.

The system under which the ration coupon business works is similar to ordinary banking methods. The bank customer—retailer, hotel or restaurant keeper, etc.—collects his coupons from his customer, pastes them on a sheet and then whenever necessary takes the sheet into the bank and makes a deposit.

Small quota holders often make a deposit once a month. The customer makes out a deposit slip similar to that supplied when he is making a cash deposit. Those slips are provided by WPTB. They are different colors for the different commodities, and show the number of sheets deposited at 100 coupons a sheet. In each case the coupon values are carried to the right hand column, where they are added up to show the total coupon value of the deposit. This is entered in the customer's ration account. Accounts are kept separately for each customer and each commodity, one for butter, one for sugar, one for coffee and tea together, and one, now, for meat.

Ration Cheque Books

The customer is given a ration cheque book just like an ordinary cash cheque book and when he buys from his supplier he sends in his order, plus his cheque for money, plus his ration coupon cheque. Coupon cheques are cleared in the usual way.

Overdrafts are not allowed. But bank managers don't find much inclination among retailers to overdraw their coupon accounts.

When the coupons have been received and are entered up in the customer's accounts, and all formalities completed, they are destroyed in the presence of two officers of the branch bank, who sign a certificate that so many coupons have been destroyed.

WPTB accepts these certificates and the bank and board are saved the trouble and storage space that would otherwise be required in taking care of the used coupons.

In three branch banks visited by The Financial Post, no one day in the week was mentioned as being busier in regard to coupon banking than any other. Business, they stated, varied just as it did with ordinary banking business. Retailers make their deposits when they feel like it. Consequently the coupon business is fairly well distributed over the week.

Chain stores were formerly required to send their coupons into an administrative office of their company, which deposited them in the bank. Now they can deposit them in a local branch and get a certificate which they send in to the administrative office.

Hotels and hospitals are expected to collect the coupons from their customers and make the deposit with their own bank just as a retailer does.

Bathurst Net Off Sharply

From Our Own Correspondent

MONTREAL. — Sharply reduced earnings are reported by Bathurst Power & Paper Co. for the first quarter of 1943. After depreciation and depletion, but before income and excess profits taxes, earnings totalled $117,739. This contrasted with $425,090 for the first quarter of last year.

Taking taxes on the minimum basis of 40%, indicated net profits for the first quarter of the year were approximately 17½ cents a share on the Class A stock, compared with dividend requirements of 25 cents a share.

Mtl. Telegraph Wins Tax Suit

From Our Own Correspondent

MONTREAL. — Montreal Telegraph Co. is not liable for the payment of $38,375 representing an annual corporation tax of $1,000 for 31 years, plus interest as from July 1, 1932, the Court of Appeal having disallowed the appeal of the Crown, acting in the right of the province of Quebec.

The Crown maintained in its case against Montreal Telegraph that (1) all telegraph companies, whether or not they operated a telegraph system in the province and (2) all other companies operating a telegraph system for the use of the public, were subject to the tax. The court overruled the first contention and decided that as Montreal Telegraph Co. was not an operating company in the province of Quebec, it was not bound under the statute to pay the corporation tax claimed.

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Single room with shower, $3.00.
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Single room with tub and shower combination, $4.00.
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Double room with tub and shower combination, $5.50.
Twin bedrooms, with tub and shower combination, $6.00.
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RATES Single $2.50 to $3.50
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THESE are typical Canadians . . . self-starters every one of them. They do their *own* thinking and get there under their *own* power. It's a national characteristic.

Self-reliance, courage, personal initiative . . . are the natural inheritance of every true Canadian. These are the qualities that have made Canada great . . . the foundation of her unbeatable spirit in the acid test of war. These are the qualities that will build a Canada worthy of her future.

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It is the natural desire to make your own way, as far as your ability will take you; an instinct that has brought to this continent the highest standard of life enjoyed by any people on earth. It is the spirit of democracy on the march . . .

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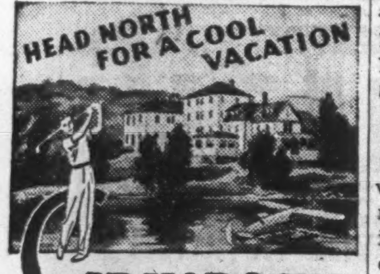

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Summer Travel

See Big Year for Muskoka—Lake of Bays

Ontario's Highland Holiday Region Has Important Wartime Role

Greater numbers than ever before are planning this year to go to Muskoka for their annual two or three weeks' furlough. Hotel-keepers and agencies foresee a rush of business. Many resorts are already booked until after the middle of August and some for the entire summer.

The Muskoka region is situated only some 90 miles north of Lake Ontario, but is nevertheless from 1,000 to 1,500 ft. above sea level. One of Canada's best known vacation areas, this year it will fill a role of added importance as an easily accessible spot where those whose duties have been increased by the urgency of wartime may take time out for a brief "refresher" period.

This year's heavy business is attributed partly to the fact that the region has shown a steady increase in popularity in the last few years. Muskoka's cool nights and warm days have long been known to provide one of the best vacation climates in the world. In wartime, the importance of its accessibility is a major consideration.

This year more people are working longer hours at tougher jobs. Private auto jaunts are virtually out of the question, and Canadian money must remain in Canada.

To increasing numbers of holiday-seekers Muskoka provides the answer. It has accommodation for persons of varied means, and it provides both natural solitude or gay, cosmopolitan resorts.

Many American Visitors

This season some American visitors are also expected, although not too many, since there is a ban in the eastern states on pleasure driving, as well as a shortage of tires and gas.

The Muskoka region is often referred to as Canada's Highlands. The Indians used to call it "Clear Skies." It is only three or four hours travel from Toronto. Due to the dryness of its climate it affords relief to sufferers from hay-fever. It is honeycombed with lakes and rivers and almost all of it is highly scenic.

Muskoka's climatic feature is its lack of humidity. Fresh breezes are constant. Most of the summer the temperature averages below 70 degrees and the daily maximum is rarely above 90.

Lake Steamer Service

The chief lakes in the Muskoka district are Lake Muskoka itself, about 20 miles long; Lake Joseph, roughly 16 miles long and Lake Rousseau, some 13 miles long. To the west side of the lakes, the gateway to the region, is the town of Bala via CPR. By road or CNR the towns of Gravenhurst and Bracebridge stand sentinel. From all three towns steamer services provide easy access to furthermost points.

The Lake of Bays region lies to the north and slightly east of Bracebridge and Huntsville. Actually it is a part of the District of Muskoka, taking its name from the largest of the chain of lakes which has a shoreline indented with many small beaches and coves.

Vacation Features

Both districts have the best features of Ontario's vacation spots. There is an abundance of fresh water lakes and streams, fishing, scenery, swimming and boating.

The total area around the two principal chains of lakes covers some 1,600 square miles. Bordering on the northwest wing of the region is Algonquin Park, which has become known as one of the most beautiful natural parks on the continent.

To the south is another chain of lakes, centring on Sparrow Lake and Kahshe Lake, and emptying into Georgian Bay through the Severn River.

Wide Range of Resorts

In the total territory, there are about 150 summer resorts and hotels of large to moderate size, with perhaps an equal number of small places of more limited accommodation.

These establishments range from unpretentious farmhouses to large and elaborate resorts such as Muskoka Beach Inn, Beaumaris Hotel and Yacht Club, Limberlost Lodge, Elgin House, Royal Muskoka, Clevelands House, Highland Inn, Bigwin Inn, Nepahwin-Gregory Inn.

To the south of Muskoka proper is a related area which takes in such resorts as Big Chief Lodge, north of Orillia on Lake Couchiching.

Easy Vantage

The southerly points of Muskoka are 100 miles or less away from Toronto, while at the northwest tip it is only about 150 miles to the city. Trips to most parts take only four hours or less, and five or six hours at the most is needed to reach the most inaccessible spots.

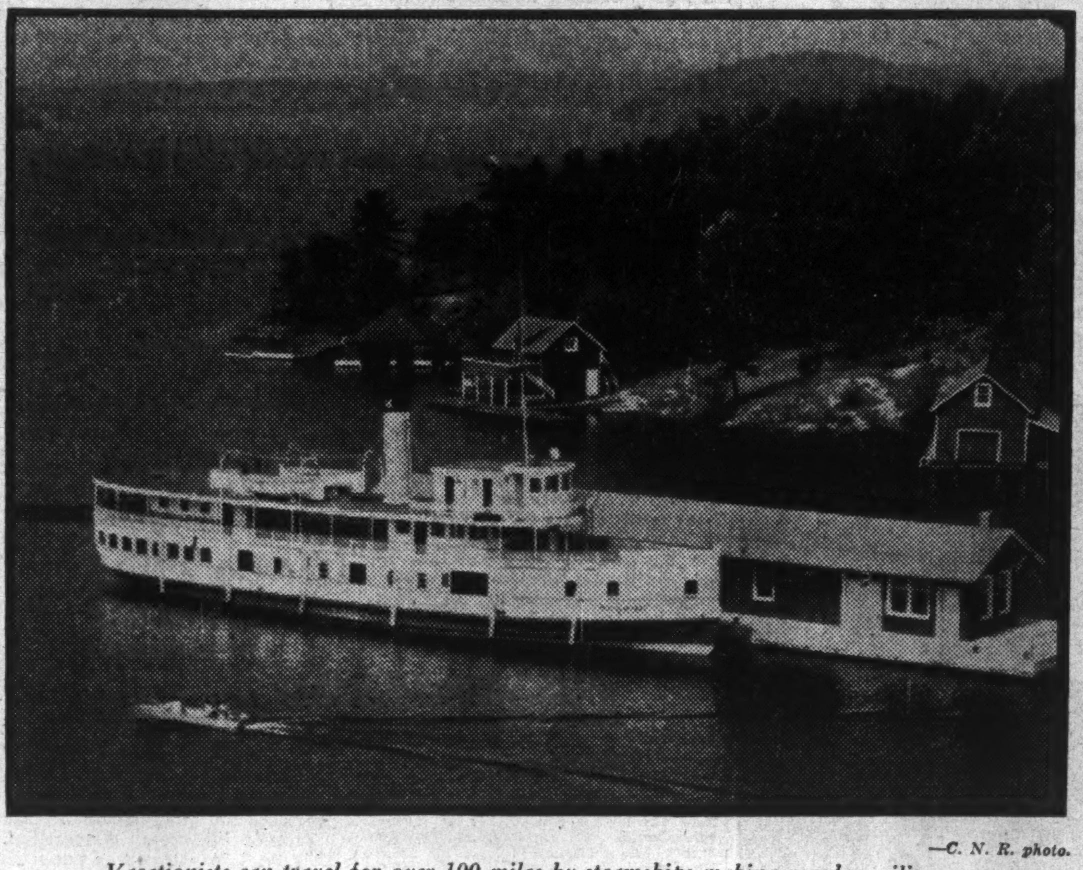
Steamship cruises of up to 100 miles can be made through the three Muskoka Lakes and of 50 or 60 miles on the Lake of Bays chain. The perennial service on the lakes dates back to 1866.

Originally lack of roads and railways made the waterways the only route into the territory for early settlers. Today Muskoka is served by rail and road.

A distinctive feature of the cruise through the Lake of Bays is the one-mile portage over what is known as the shortest railway in the world, which connects the Peninsula Lake canal with the Lake of Bays itself.

Muskoka offers attractions both as a summer colony and as a region where seclusion and quietness can be found in natural surroundings.

Many beautiful summer homes have been built up on the mainland and the larger islands and there are many places it is possible to camp in virtual solitude.



—C. N. R. photo.

Vacationists can travel for over 100 miles by steamships making regular sailings on the Muskoka lakes. Through these beautiful lakes this trip is a holiday in itself and an easy means of reaching many resorts.

Do You Know the Rules For Wartime Holidays?

Ration Books as Necessary as Fishing Tackle and Golf Clubs to 1943 Vacationist Who Plans to Visit Summer Resorts

One item which holiday-goers are advised not to forget this year is their ration book, if they are planning to stay in one place a week or longer.

The Prices Board states that there should be no difficulty about rationing arrangements. If guests are staying for a week or longer at a resort, each week two meat coupons and one butter coupon will be detached. Every two weeks the hotel operator will remove one tea, coffee or sugar coupon.

United States tourists are subject to the same restrictions as Canadians, and can get application forms at the immigration office at the border or at the nearest local ration board.

The completed forms are to be turned in to the ration board in the district in which they will reside. Passengers by train from the U. S. can get applications at their local ration board and turn them in in their holiday district. Temporary ration cards are issued by the ration board for five days or more.

Summer hotels are required to observe meatless Tuesdays, and their charges come under the price ceiling regulations. By application to the Wartime Prices and Trade Board, hotels may be allowed to boost rates not more than 10% above those in force in 1940.

Teach Children To Save Forests In Ontario

Children from the United States, England, France and Poland will join in a co-operative scheme for the preservation of forests organized by the Ontario Department of Lands and Forests in Algonquin Park this summer.

Some 800 enrolments are expected. Each camp in the area has a certain section to maintain by clearing portages and camp sites, building canoe docks and generally improving bush travelling conditions. Senior members of the camps will receive fire fighting instructions from a forest ranger.

Last year a considerable reduction in the number of fires was noted despite the fact that there were as many visitors to the park as the year before. Park officials believe that this summer the educational work will reduce fires still further.

Hamilton By-Products Coke Ovens is redeeming $22,000 of its 5% first mortgage bonds on June 30, 1943. Payment to be made together with premium and accrued interest, is 102.822% of the face amount of the bonds called. When this redemption has been made, amount of 5% first mortgage bonds outstanding will be $2.1 millions.

Can Still Buy Sport Goods

Lotions to Tennis Balls, Vacation Supplies Still Available

There are restrictions on sporting equipment. Tennis ball production is half of that of 1941. Golf balls are being made on a one-third quota basis. Old balls can be turned in by purchasers for rebuilding.

Lacrosse balls are scarcer than tennis or golf balls. It is believed that there are a few cricket balls to be had.

There is still plenty of sunburn lotion, protection, etc., but less variety. Types have been restricted. There is a good supply of sunglasses.

Fishing tackle is becoming scarcer in stores, but the Prices Board has the idea that there is all that is needed and more hidden away in attics and sparerooms, or at least enough for fishermen to get by. It's up to them to rummage around. Local shortages in some lines may be met.

Athletic shoes are in good quantity but are less stylish.

Good news for almost everybody except the mosquitos is the disclosure that the board is allowing an additional 220 tons of protective wire screening to be made during the next 12 months.

Brazilian Traction reports April gross earnings of $4.1 millions, up 8.49% from the same month of 1942, and net earnings for the month of $2.2 millions, a gain of 11.54%. For the first four months of 1943 gross earnings are up 9.58% at $16.2 millions and net earnings up 13.84% at $8.9 millions.

Holidays Ease War's Strains

Reasonable Precautions Help Make Vacation and Prevent Accidents

Holiday-goers can go right ahead with their plans this year with a clear conscience; medical authorities seem to agree that a period of reasonable relaxation is necessary at least once a year if work is to be kept at concert pitch.

Despite the emphasis today on increased production and harder work for everybody it is likely that the usual number of vacations will be taken. According to the British Government, which has made a study of the question, this is to the good. In Britain working hours have been stepped up, but summer holidays continue because of the obvious improvement they make in personnel efficiency.

Health authorities make the reservation that a vacation must actually be just that. They see no percentage in mapping out and following a strenuous schedule. A change is not always as good as a rest, and those who indulge in a lot of unaccustomed exercise will probably return to work more tired than when they went away.

Hygeia, the British medical journal, cautions against unaccustomed exertion and adds a warning about sunburn.

A tan should be acquired gradually. It will be better for you—in the case of burns the outer skin is toughened and the healthful rays don't penetrate—and you won't have that boiled feeling.

It Gets Heavier

A few more hints:

If you are carrying your own equipment don't make your pack too heavy. That load which seemed featherweight at first will get heavier later on. Forty pounds should be plenty.

Do not cross large lakes and rivers in rough weather.

Take along a first aid kit and book.

Never run a rapid without looking it over carefully first. Also, two canoes should not run a rapid together.

Make camp before dark. It is difficult to prepare food or pitch tents by firelight.

Don't make a trip through uninhabited country, unless you know it very well, without guides. Landmarks often change in a year.

Take more than reasonable precautions against forest fires. A fire can be out of control and half a mile away in three minutes, according to the Forest Fire Protection Services, if the weather is right. When you consider the damage one fire can do, a little more care than you might think necessary is no more than accident insurance.

Fishing Dates Are Liberal

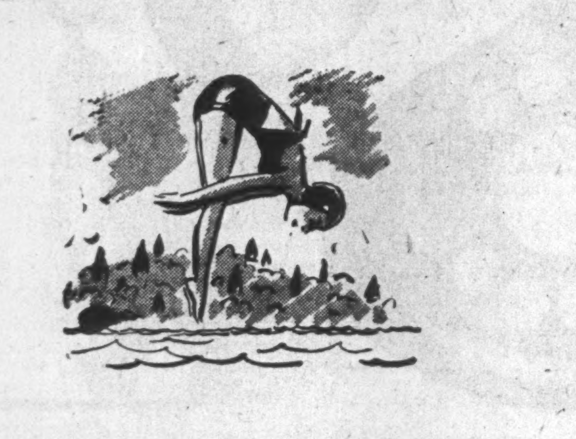
People who don't fish won't care and all real fishermen will have by this time found out for themselves, but for the less regular devotees of Izaak Walton, here are the fishing seasons for 1943:

Bass and muskellunge: Generally July 1 to Oct. 15. The limit is 6 bass per day, not less than 10 inches in length, or 2 muskies, not less than 24 inches.

Speckled trout: May 1 to Sept. 15, 20 per day limit in number or not more than 10 pounds in weight, 7 inches in length.

Pickerel: No closed season in Great Lakes and connecting waters. South of French and Mattawa Rivers and Lake Nipissing, May 15 to Dec. 31. Eight per day limit, not less than 13 inches.

Lake trout: Five per day. Season is the same as speckled trout.



This Year Make It a Planned Vacation

Get accurate information, make your reservations in advance . . . good advice at any time, but these wartime days it's practically a "must." Best way is to let the Ask Mr. Foster Travel Service make complete arrangements for you. They're old hands at helping you get the most out of your vacation. Drop in at the Ask Mr. Foster Travel Service next time you're at Simpson's.

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June 26th

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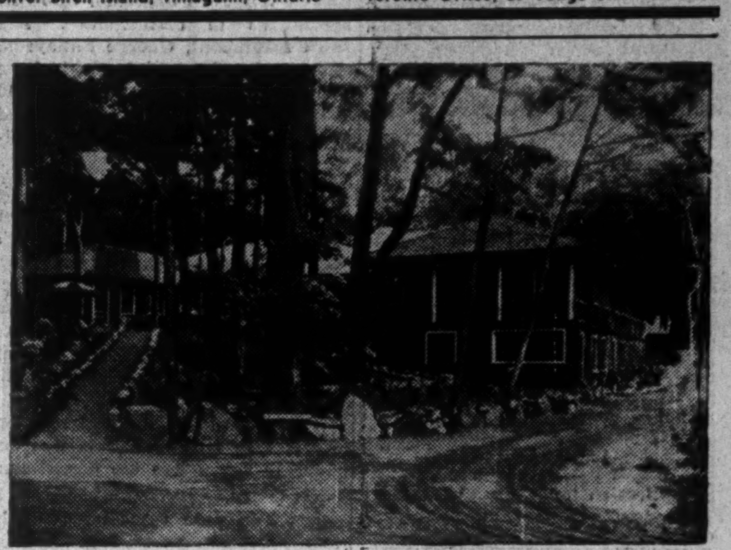

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Main Lodge $21.50 and up per person weekly.
Nautical Staterooms — $21.00 and up per person weekly.
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Muskoka Beach Inn on the shores of Lake Muskoka provides accommodation to suit every taste and pocketbook. Here is every facility for recreation and relaxation.
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At Nepahwin-Gregory you will find every comfort — many rooms with running hot and cold water—private and semi-private baths. Facilities for virtually every summer recreation, too—golf, tennis, riding, swimming, fishing, boating, dancing. For folder and full information, telephone RA. 5293 or write L. T. Graham-Bell, 45 Chicora Ave., Toronto up to July 1st. After that—Nepahwin-Gregory, Gregory P.O., Ont.

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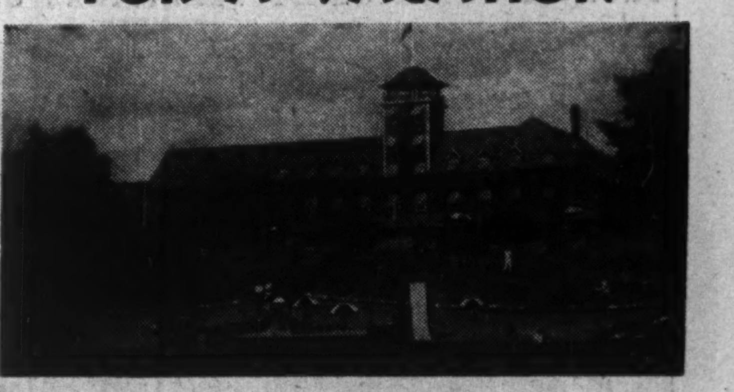

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"For Distinguished Service"

Insurance Chief Gets C. M. G.

Sees It as Honor to Department Rather Than Himself

George D. Finlayson prefers to think that his elevation as a Companion of the Most Distinguished Order of St. Michael and St. George is a tribute to the business of insurance and to the department which he has headed for almost 30 years, rather than to himself.

The citation in the King's Birthday Honors List was "for long and distinguished service as Superintendent of Insurance of Canada."

Professor Cherriman of Toronto University was named the first Dominion Superintendent of Insurance in 1875. He held the office for 10 years. His successor (in 1885) was a former pupil—a Toronto lawyer named William Fitzgerald, who had specialized in mathematics. The third incumbent, George Finlayson, was appointed superintendent at the age of 32, on Sept. 1, 1914. In 15 months time he will have concluded 30 years of service as superintendent.

Life Work

Mr. Finlayson has known no other work in life except on his father's farm in Merigomish, Pictou county, N.S., and the Federal Insurance Department at Ottawa. He graduated in mathematics at Dalhousie University in 1907—the year of the famous Armstrong insurance investigation in New York.

The investigation had its repercussions in Ottawa and it was decided to strengthen the department by adding to its actuarial roster.

Mr. Finlayson came immediately to the department after graduation. He learned his actuarial lore within the department and was admitted as an associate of the Institute of Actuaries of Great Britain in 1911. Three years later he was named Superintendent of Insurance.

Through the storms of constitutional and other controversy which have raged around the insurance business in Canada in the past 40 years, Mr. Finlayson has lived and moved undaunted and with a fixity and determination of purpose that have become almost legendary in the business.

Jurisdictional Issue

Looking back, he recalls that the vexed question of insurance jurisdiction is now more than 60 years old. It was in the 80's that the first challenge of federal authority was made—a challenge that has affected the entire history of federal-provincial relations.

The original case was that of Citizens Insurance vs. Parsons—a private action for a fire insurance claim which went to the Privy Council without either the provinces or the federal government being represented.

The point at issue was whether the fire insurance company was required to be governed by statutory conditions which had been enacted the year previous by Ontario. The Privy Council ruled that it had. It is this decision which has played a dominating role in subsequent constitutional jurisprudence.

Rowell Sirois Findings

Sixty years later, the Rowell-Sirois Commission in its review of the tangled story of insurance jurisprudence in Canada urged strongly that the Dominion be given certain exclusive powers and responsibilities and that the division of jurisdiction as between the provinces "should be expressed with the greatest possible definiteness and clarity."

That goal has not yet been achieved. Until it is, it seems certain that Mr. Finlayson's lifework will be unfinished.

No man in Canada has had greater singleness of purpose than Mr. Finlayson in his desire to see the work of the Federal Insurance Department buttressed on a solid and secure legislative foundation.

Scottish Family

The Finlayson family emigrated from the west highlands in 1805. They settled in Nova Scotia. George Finlayson is a grandson of the original settler. He speaks with a dry, Scottish accent. His hair is white but his step is youthful and his body as erect and active as his razor-sharp mind. At 60, he shuns the ownership of an automobile and walks everywhere—usually hatless. He is tremendously fond of gardening.

His wife has long been prominent in Ottawa civic affairs, is at present president of the Local Council of Women. His boy is in the Navy. He has two daughters. A brother is dean of science at the University of British Columbia.

A few years ago his Alma Mater (Dalhousie) honored him with an honorary doctor's degree.

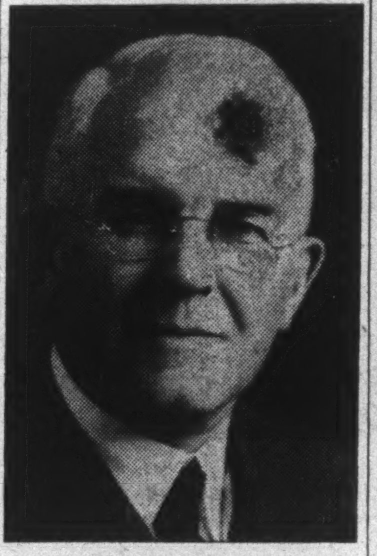
But it is typical of George Finlayson that he never uses the title. Nor do anything but the initials "B.A." appear after his name—even in the citation of the recent birthday honors.

Growth of Insurance

When he entered the department, the life insurance in force in Canada was under $700 millions. Today it is almost $8 billions, and with the proud boast that no policyholder has ever lost a dollar through failure of a Dominion life insurance company to honor its obligations.

Premium income of fire insurance companies in Canada, since 1907, has more than trebled. Casualty insurance premiums under his jurisdiction have increased more than 15 fold.

Mr. Finlayson gives the credit to the fine type of leadership which the business has had in Canada and to the sound foundations laid by his predecessors in office. Yet the comparable record of insurance as carried on anywhere else in the world is clear and striking tribute to the character and ability of the man who has piloted the business through two great wars and a cataclysmic depression with increasing honor to himself and to the co-operative enterprise which now holds in trust billions of dollars of assets for the people of Canada.



PRESIDENT

Rolph R. Corson, who has been elected president of the Boiler Inspection & Insurance Co. of Canada, succeeding H. N. Roberts who becomes chairman

Fire Losses Rise Above Level of Last War

G. D. Finlayson Warns Against Inflation as a Postwar Loss Factor Before Fire Prevention Meeting

Between 1939 and 1942, insured fire losses in Canada increased from $18 millions to $24 millions, a rise of 27% G. D. Finlayson, Superintendent of Insurance for the Dominion, stated at the annual meeting of the Dominion Fire Prevention Association at the Seigniory Club, Quebec, recently. This compared with a rise of 6% in the corresponding years of World War I when insured fire losses increased from $17.6 millions in 1914 to $18.7 millions in 1917.

When, however the increase in the amount of insurance in force is considered, the expansion in fire losses does not appear so great, he stated. For example, between 1939 and 1942, the amount of insurance in force rose from $11.5 billions to $14.1 billions, an increase of 23% while in the corresponding period of the last war, 1914 to 1917, the amount of insurance in force rose from $4.3 billions to $4.9 billions or less than 15%.

Fairer Comparison

Mr. Finlayson says however that as Canada got into her stride industrially more quickly in this war than in the previous one, the increases in the amount at risk and losses between 1939 and 1942 should be compared rather than with those shown in 1918 over 1914. On this basis, the increase in losses between 1914 and 1918 was 23% against a rise of 27% in the present war.

Indications are that the increase is mainly in manufacturing and industrial properties where the pressure of war work is most felt. Statistics show that while total property losses between 1939 and 1942 increased by 27%, losses in manufacturing properties increased by 84% in the same period.

If the postwar period should see an increase in fire losses similar to that of the last postwar period, Canada might have a fire loss of $50 millions by 1947 compared with $30 millions in 1942, he declared. This heavy loss however he believed was due to the obsolescence of plants built during the war and obsolescence was closely related to the deflation that occurred during the early twenties. If there is no inflation there is less likelihood of deflation, he said. Accordingly, he declared, all fire preventionists are interested in resisting inflation.

Insurance Sales High In April

Total for First Four Months Reaches $178 Millions

Sales of new ordinary life insurance in Canada and Newfoundland in April were $51.1 millions, bringing the total for the first four months of the year to $178.6 millions. Ontario led in both comparisons with Quebec second.

The figures are compiled by the Life Insurance Sales Research Bureau and released by the Canadian Life Insurance Officers' Association. They are based on the experience of 18 companies representing 86% of the business in force and are for new settled-for ordinary insurance, exclusive of increases, revivals, dividend additions, annuities, group insurance, etc.

Figures for the month and four months follow:

Sales for April:	1943
British Columbia	$3,974,000
Alberta	2,805,000
Saskatchewan	1,418,000
Manitoba	2,446,000
Ontario	22,077,000
Quebec	13,648,000
New Brunswick	1,402,000
Nova Scotia	2,239,000
Prince Edward Island	235,000
Newfoundland	860,000
	51,104,000
Four Months:	
British Columbia	13,042,000
Alberta	9,613,000
Saskatchewan	5,236,000
Manitoba	9,969,000
Ontario	77,965,000
Quebec	46,801,000
New Brunswick	4,978,000
Nova Scotia	7,449,000
Prince Edward Island	952,000
Newfoundland	2,669,000
	178,674,000

Life Co.'s Buy $160 Millions In 4th Loan

Subscriptions of $160 millions by the life insurance companies in Canada to the 4th Victory Loan bring the total of such investments to well over $600 millions, according to J. G. Parker, president of the Canadian Life Insurance Officers Association. This total investment is equal to an average of $150 for every one of the four million policyholders in Canada.

In addition to the company subscriptions, some 2,000 experienced salesmen and saleswomen who took part in canvassing for the loan, were responsible for many other millions. In the third loan they sold over $57 millions and in the fourth, it is believed their sales were over $60 millions.

1871 • 72 Years of Security to Policyowners • 1943

Multiple-Duty Dollars

WHEN you invest in a Confederation Life Policy your dollars do multiple duty.
1—You save money.
2—You secure financial protection for your family while they are young.
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Nothing but an investment in Life Insurance provides these things so quickly, so well, or so economically.
In addition, it is possible to secure a monthly income in event of total disability.
Before You Insure Consult—
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Association
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ASSURANCE COMPANY
FIRE • AUTOMOBILE • AVIATION
CASUALTY • MARINE
HEAD OFFICE TORONTO
ESTABLISHED 1851

Clarendon Apartments, Toronto, is paying $12.50 interest on each $1,000 of its 7% first mortgage bonds, on June 15, 1943, the Royal Trust Co. announces. This payment applies on coupon No. 16 due Dec. 15, 1934, and together with $10 paid Dec. 15 last, makes a total of $22.50 paid on this coupon. Payment can be obtained by forwarding coupons for collection through the local bank or by presentation directly to the Canadian Bank of Commerce.

Dominion Life
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Since 1889
HEAD OFFICE: WATERLOO, ONTARIO
FOR LIFE INSURANCE AND ANNUITIES

ESTABLISHED 1906
THE MONARCH LIFE
Assurance Company
A PROGRESSIVE CANADIAN COMPANY

'Be Sure Your Views Are Sound' Life Insurance Men Are Told

Because the public has confidence in the people in the life insurance business, and will listen to what they have to say about monetary matters, they should make certain their opinions are sound, G. Fay Davies told the Life Insurance Advertisers' Section of the Canadian Life Insurance Officers Association in Toronto last week.

Mr. Davies is general manager of the National Life Assurance Co. Life insurance men should be neither reactionary nor experimental, he believed.

He said they should clarify thinking and talking, and help mold public opinion by organized and improved public relations.

They should make people believe life insurance has an essential place in any postwar plan.

He also urged that they:

Extend and improve research like that started by the Lever report.

Urge people to use their franchise.

Carry on a campaign of education to make people realize the value of private enterprise.

Support sound monetary reforms and combat amateur tinkering with untried theories.

Weekly Bank Clearings

	June 3 1943 $	Change year ago %	May 27 1943 $
Halifax	4,580,623	—1.8	4,403,441
Saint John	2,515,170	—13.9	2,459,656
Moncton	1,134,865	—19.1	1,048,630
Sherbrooke	1,187,899	+3.0	893,262
Quebec	5,421,336	—17.2	5,312,826
Montreal	173,993,954	+25.2	134,436,287
Ottawa	80,226,855	+27.7	118,790,456
Kingston	953,826	+5.8	745,458
Peterborough	939,749	—5.6	920,599
Toronto	184,766,557	+12.0	124,040,921
Hamilton	8,149,339	—0.8	6,536,284
St. Catharines	1,635,702	+3.2	1,718,311
Kitchener	1,499,547	+6.1	1,190,665
Brantford	1,270,073	—6.6	1,069,994
London	3,631,871	+7.4	3,021,779
Chatham	692,139	—3.7	638,913
Sarnia	886,753	+125.0	672,251
Sudbury	1,377,051	+14.2	1,102,769
Windsor	4,022,906	—0.02	4,136,272
Fort William	1,148,797	—14.2	832,068
Winnipeg	71,589,077	+29.3	56,689,377
Brandon	583,610	+5.6	435,684
Regina	7,290,434	+55.0	5,754,616
Moose Jaw	937,988	+17.4	800,424
Saskatoon	2,079,393	+8.8	1,770,253
Prince Albert	647,764	—3.0	504,733
Edmonton	8,359,049	+30.1	7,496,164
Calgary	7,847,663	+12.6	6,663,443
Lethbridge	829,558	+23.5	735,003
Medicine Hat	491,433	+59.4	419,870
N. W'minster	822,270	—17.2	759,811
Vancouver	27,869,712	+1.0	27,835,729
Victoria	2,064,775	—1.4	1,966,735

$95,000 Appropriated For Life Advertising

The Canadian Life Insurance Officers' Association has appropriated $95,000 for its institutional advertising campaign for the coming year.

The association plans to advertise in its regular list of publications, supplemented by all A.B.C. weeklies and the women's magazines, Chatelaine and Canadian Home Journal, and to extend the campaign to the A list of the Canadian Weekly Newspapers Association. This list comprises 70 weekly newspapers with a minimum circulation of 2,000 by each paper and a combined circulation of 250,000 copies, in which the institutional advertising has not previously appeared. The report was presented by Ford S. Kumpf, chairman of the standing committee on institutional advertising and president of the Dominion Life Assurance Co.

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

F. MARSHALL, to be manager, Markham, Ont.

M. H. GILMORE, to be manager, River John, N.S.

W. S. BUFFAM, to be accountant, Brantford, Ont.

C. ROBERTS, to be accountant, Queen & River, Toronto.

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BRANCH OFFICE: TORONTO, ONT. • MILLS AT ST. JEROME, QUE. AND MONT ROLLAND, QUE.

Compared to Theirs-
HOW ESSENTIAL ARE YOUR LONG DISTANCE TELEPHONE CALLS?
OUR armed forces and war industries must have first call on long distance telephone facilities. Because these facilities are limited—and cannot be expanded at present—the rest of us must cut down our long distance calls—especially to centres of war activity. We ask your co-operation. Please limit yourself to essential calls.
THE TRANS-CANADA TELEPHONE SYSTEM
TRANS-CANADA TELEPHONE SYSTEM
THE BELL TELEPHONE COMPANY OF CANADA

McTague Hearing

Unified Labor Policy Need Stressed in Briefs

National War Labor Board Hears Varied Groups and Individuals

Briefs presented before National War Labor Board by employers and employees and individuals stress desirability of a national labor code although differing on methods and aims to be achieved. The wage structure controls must be maintained, employers emphasize, while workers are critical of methods of settling disputes and the efficiency of the cost of living index as at present used.

Aluminum Workers' Union

Challenging the National Catholic Syndicate right to represent the Arvida workers of Aluminum Co. of Canada, the Aluminum Workers' Union of Arvida (AF of L), in its NWLB brief, charges that it has not been given a collective bargaining agreement even though representation of a majority of workers is claimed.

Danger of a work stoppage at Arvida before Nov. 15 is suggested, Nov. 15 being the date the brief claims has been chosen for a vote on the jurisdiction question.

The seven demands of the Aluminum Workers' Union are:

1. A general 10 cents an hour wage increase.
2. Time and a half after eight hours work.
3. Double time for Sundays and holidays.
4. A week's holidays with pay after a year's service.
5. Granting of seniority rights.
6. Classification of employees.
7. Recognition of grievance committees.

Bert W. Lang

Immediate assumption by the Dominion of "entire responsibility and direction of all matters affecting worker - management relations throughout Canada" on a permanent basis is recommended by Bert W. Lang, president, Broulan Porcupine Mines, in a NWLB brief.

Mr. Lang would replace present WLB's by a permanent "National Labor Relations Board" (three Supreme Court judges) and permanent "Regional Labor Relations Boards."

Local company Labor Relations Committees would be made available, replacing labor-management production committees. International union labor domination would be avoided.

To settle individual labor disputes, Mr. Lang suggests the following machinery to be used in chronological order:

1. The Labor Relations Committee (representing labor & management).
2. An independent mediator acceptable to both management and labor.
3. A Conciliation Board.
4. The Regional Labor Relations Board (if appealed to).
5. The National Labor Relations Board whose decision would be final.

If the ultimate finding of the National Labor Relations Board should prove unacceptable, Mr. Lang would require a 65% majority of workers before a strike would be legal.

Dealing with wages, Mr. Lang advocates profit-sharing which would allow adjustment of selling prices to meet changed conditions. It is suggested surplus accumulated under a profit-sharing scheme could be used to tide workers over leaner periods resulting in more stable wage levels and a greater degree of stability in the economy generally.

Professional Associations

"The national organizations represented by this committee are unanimously and unalterably opposed to the forcible inclusion of professional men in any compulsory collective bargaining legislation."

This statement forms the highlight of the brief presented to the National War Labor Board by a committee representing the Engineering Institute of Canada, Dominion Council of Professional Engineers, Corporation of Professional Engineers of Quebec, Royal Architectural Institute of Canada, Canadian Institute of Chemistry and the Canadian Institute of Mining and Metallurgy associations with a combined membership of 15,000.

The brief stressed that the professions represented are already controlled by provincial legislation which has been enacted for that purpose.

Canadian Seamen's Union

"A well-defined labor code that will not only guarantee the rights of collective bargaining but will provide the machinery for its application" is what the Canadian Seamen's Union (AF of L) declares is necessary to give labor peace in Canada.

Charging that higher wages need not lead to inflation if price control and rationing are enforced, the Union would allow collective bargaining to carry wages up to a minimum of 50 cents an hour. Freezing of labor at sub-normal levels is stated by the union to have been a major cause of labor unrest.

General agreement is expressed with Trades and Labor Congress brief to the NWLB on questions of wages, labor consultation, and "recognition and enforcement of the right of collective bargaining."

Communist Total War Committee

Criticism of what it describes as "the wage policy of the Dominion Government" is the theme of the Communist Labor Total War Committee brief before the National War Labor Board.

The brief submits that the government's wage policy is inequitable because, by order-in-council, employers with the exception of those "in a narrow range specifically exempt" are forbidden to increase basic wage rates or employment terms without permission of a war labor board. To correct such alleged inequality the Communist Labor Committee would:

Eliminate the differential in the cost-of-living bonus payments; pay wages that are adequate for taxes and health; establish a floor for wages; develop a wage policy that would provide an incentive to increased production; provide a "comprehensive Dominion labor code"; revise the administrative practice of the Department of Labor, and make collective bargaining compulsory.

According to the brief, labor relations in Canada are approaching a crisis and "too much time has already been lost."

This brief holds that as a result of government wage policy, large numbers of Canadian workers "are still condemned to earnings lower than the amount which is quite generally acknowledged to be necessary."

Hamilton Labor Council

Offered as supplementary to briefs previously heard from the Canadian Congress of Labor and affiliated unions, the Hamilton Labor Council made recommendations as follows:

1. That the right of workers to organize as they choose and bargain collectively with employers be guaranteed by law.
2. That provision be made to determine by majority vote the bargaining agency of workers.
3. That company unions be outlawed.
4. That it be made an offense for an employer to refuse to engage an applicant or intimidate an employee to prevent him joining a union or carrying on union activities.
5. That the differential in the cost-of-living bonus be eliminated and the cost-of-living index altered to meet the average worker's budget.
6. That 50c. an hour and $25 a week be made the basic minimum wage.
7. That machinery be set up for disputes arbitration by which, upon application, action would be initiated within 15 days and completed within 30 days.
8. That labor be allowed representation on all war boards, both administrative and advisory.

Toronto Board of Trade

Because "employers on the whole are not satisfied that methods of determining union support are conclusive," the Toronto Board of Trade in recommendations to NWLB called for stricter definition of what constitutes union membership to justify demand for union recognition.

Inclusion of temporary support of unions without payment of dues in response to promises of "legally unattainable results" makes industrial relations machinery a weapon too frequently used to disturb existing harmony, the Toronto trade board submitted. Unpaid memberships should be ruled out in determining union representation. In this way, it was argued, appeals to workers on the principle of everything to gain and nothing to lose by lending support on a conditional basis would be curtailed and campaigns of agitation and disruption lessened.

Because the Toronto board feels that recurring issues of union recognition and jurisdictional disputes will be the subject of duplicate procedure under the Ontario Collective Bargaining Act and federal disputes machinery, it further recommended that boards of conciliation and investigation under the Dominion's Industrial Disputes Investigation Act should not be granted on applications in cases where the Ontario Act applies.

In this connection, the Toronto board's brief said:

"Although there are features of the Ontario Act we do not like, we are anxious that it be given a fair chance in the hope of developing understandable principles in dealing with the collective bargaining process. Unless some such suggestion is adopted, the new Ontario procedure, overshadowed by alternative and perhaps overriding Dominion procedure, will not have a fair test and great confusion will result."

In administration of the Industrial Disputes Act, the Toronto board would have permanent regional panels of arbitrators established, instead of the present practice of choosing representatives of employer and employees.

Nothing should be done to decrease in any way the "cooling-off" period provided by existing machinery, the Toronto board held.

Finally, in the matter of labor relations, it was urged that codification and simplification of labor legislation would be of great value in promoting harmony between workers and management.

Necessity of maintaining the wage ceiling was stressed. Weakness in enforcement of the wage policy, the brief declared, has afforded organized labor much strength for its argument that, with pressure, further concessions can be obtained. This, it was held, has increased the current organizational activities of many of the unions.

United Electrical & Radio Workers

Through its Canadian district No. 5 council, United Electrical Workers of America made these proposals in a brief submitted "on behalf of 60,000 war workers":

1. That wage regulations and orders be re-drafted to provide a floor of 50c. an hour for all essential workers.
2. Payment of full cost-of-living bonus (weekly minimum $4.25) to every worker and reconstruction of cost of living index to provide regional indices.
3. That labor be represented on all regional, provincial and national boards having to do with price control, rationing, manpower, mobilization, war finances, etc.
4. Enactment of a "genuine collective bargaining bill which will strengthen the forces of democracy."

Such an act, as described by the United Electrical Workers brief, would:

"Guarantee the right of labor to organize, bargain collectively; prevent employers from developing company influenced or company dominated organizations parading under the name of a union."

In closing their brief, United Electrical Workers said it was their union's intention to maintain its "no strike" policy for the duration as "a contribution to speedy victory" in spite of being "sorely tried" by situations which, it is claimed, may be designed to provoke its members into breaking their pledge against striking.

Metal Trades Council, Sorel

A labor law which would speed-up settlement of union disputes by vote of workers, which would outlaw company unions, permit raising of "substandard" wages and force employers to negotiate with their organized workers, was urged as a national need, in the brief of the Metal Trades Council of Sorel, Que.

The Sorel council charged that their members had been subjected to intimidation and violence to prevent them organizing and cited many occasions when thus interfered with, occasions which they say culminated in death for a member who tried to take over a meeting called by the council.

The Sorel Metal Trades Union, said the brief, is pledged to a no-strike policy for the duration.

Mid-West Metal Mining

The right of the employee to carry on collective bargaining through the union of his choice is conceded by the Mid-West Metal Mining Association—an organization of employers having 3,300 miners on their staffs—in its NWLB enquiry brief. But it is declared that the employer must also be conceded the right to protection from irresponsible organizations and unfair practices.

The Association would grant employees: the right to strike (with protection against a strike where a majority did not approve); protection from coercion; and an audited statement for the unionist from his labor organization.

Clarification of the present labor situation is stated desirable with new legislation sought to assure recognition of workers' rights and for protection of public and industry. Illegal strikes should not be recognized, it is stated.

Nat. Steel Car Employees

Submission by National Steel Car Employees' Ass'n. is primarily concerned with the question: "Whether it is the machinery for settling disputes which widens the gap between labor and management or whether it is the selfish attitude of the CIO "

This brief declares that: "Scarcely a single strike, walkout, sit down, slow down or other hampering activity has taken place where independent unions or employee associations have remained in control." It strongly suggests that CIO domination has been the greatest cause of most labor-management troubles in wartime Canada.

For elimination of such domination, the NSCEA recommended as follows:

That the worker's right to freedom of action be not destroyed by forcing on him the closed shop, check-off, maintenance of membership principle or other similar device.

That severe penalties be imposed to deter illegal strikes.

That the present method of determining, computing and paying the cost-of-living bonus be revised. On this point the NSCEA contended that the present cost-of-living bonus has not adequately kept up with the increased cost of living.

The NSCEA brief claims to have been "subscribed to and endorsed by the Canadian Federated Council of Employees and associated bodies of independent unions, associations and workers' groups."

Railway Association

In making submission to NWLB, the Railway Association of Canada pointed out that collective bargaining between railways and employees had been established practice for more than 50 years and that the railways are generally in accord with the government's wartime wages control policy and cost-of-living principle.

From experience of the railways, the association brief said, there appears to be no need for altering present legislation, or of enacting compulsory collective bargaining laws.

Because "one real problem lies in guaranteeing that those who claim to represent employees actually have authority to do so," the association urged that once such authority has been established, agreements entered into with those exercising such authority should not be disturbed by other claimants until proper transfer of authority has been established. In the case of railways, agreements generally provide for 30 days' notice before revision.

The railways do not favor adoption of the "closed shop" system.

There should be no attempt to carry into the postwar period all measures found necessary during wartime, the association held. It believes an effort should be made at the close of the war in collaboration with the provinces to extend permanently and uniformly the application of the Industrial Disputes Investigation Act.

United Auto Workers

The brief offered by District 26 of CIO's United Auto Workers, is said to speak for 45,000 organized automobile, aircraft and agricultural implement workers.

In dealing with labor relations, it makes the principal recommendation that the government adopt "a progressive policy" and take as its example the United States Labor Relations Act.

The UAW brief criticizes government wage policy under order-in-council P.C. 5693 by saying that "it seems to be based on the premise that prices must necessarily rise if wages are increased and that it would open the door to inflation." The brief admits that there would be an increase in the demand for consumers' goods on the part of those whose wages were adjusted upward but argues that the increased income would be spent chiefly on consumers' necessities and would not necessarily raise the price of these goods.

The UAW is in favor of the regional war labor board in its present form but "feel that both the national and regional war labor boards are full-time positions and should function as such," in order that they may handle the many cases which come before them, give decisions without delay, and in this way keep discontent and resentment by workers to "a bare minimum."

The government is criticized in the UAW brief for not taking its responsibility in promoting the labor-management committee idea.

The UAW present the belief that the greatest portion of industrial troubles since war began may be laid to unwise attempts to freeze trade union developments during a time of great industrial expansion.

E. J. Young

"The only justification for wage increases during the war must be that wages you intend to raise are unduly low, as compared with what other groups or classes receive. Wage increases to the better paid workers cannot be justified, so long as we are putting everything possible into the war effort."

This is the opinion expressed by E. J. Young, a director of the Canadian National Railways, speaking as a private individual before the National War Labor Board.

In its own interests, Mr. Young thinks labor should insist on industry building up large reserves to modernize its plant and to carry it over the transition period.

"Collective bargaining is a good thing," Mr. Young declares. He lays down nine rules under which collective bargaining should be conducted including: union of the employees' choice as the collective bargaining agency; no compulsion to make anyone join a union; no collective bargain to be made which is not in the public interest; an annual report of the collective bargaining agency to be provided members; the constitution of the bargaining agency to state clearly its objectives.

Mr. Young states categorically that bargaining for a closed shop or a check-off should be forbidden.

Western Grain Plan Opposed

English Group Dislike Dropping of New York-Pay Feature

MONTREAL. — Western Grain Co.'s plan for cleaning up arrears of interest on its first mortgage bonds will be opposed by a group of English bondholders. The same group objected to and blocked a scheme which the company had proposed bringing forward in 1941.

Opposition to the present proposal is based largely on the elimination of the New York pay feature. Both principal and interest on the new bonds will be paid in Canadian funds only.

It is understood the English group have control of at least 20% of the outstanding bonds. Whether this will be sufficient to block the plan depends upon the percentage of bonds required to be voted to make it binding upon all bondholders.

The company proposes to distribute $4 in cash plus $120 of 5% Canadian pay bonds in exchange for each $100 6% bond held. There is no arrangement respecting the preferred stock, which is heavily in arrears.

In addition to the English opposition, a criticism directed at the scheme is that the bonds given in lieu of interest will be subject to income tax when redeemed.

British Columbia Plane Plant Gets Big Order from U. S. Navy

VANCOUVER. — Aircraft construction seems to be in British Columbia to stay. If proof of that assumption is needed last week provided it, with news of a new $100 millions contract to Boeing Aircraft of Canada from the U. S. Navy.

The big new Sea Island plant of Boeing, Canadian subsidiary of the famous Seattle corporation whose Flying Fortresses have made history on almost every war front, has been in full production for several months, rolling out Catalina flying boats.

More than 50 of these big PBY's have already been built here. Many of them are now in service with the RCAF. The new contract for the U. S. Navy is also for Catalinas, but the number ordered has not been specified.

Less than two years ago the site of the Boeing plant was an empty field. Its location is regarded as ideal from the standpoint of available ground for testing planes and because of the almost unlimited scope for expansion.

Plywood Output

Other indications of the continued magnitude of the aircraft industry in this section of Canada are to be found in the development of auxiliary factories and the growth of plywood production.

Aero Timber Products, the government corporation charged with responsibility for whipping up production of aircraft spruce and hemlock on the Pacific coast, has been broadening its operations so that suitable timber is being brought down from as far north as the Queen Charlotte Islands.

Principal plywood producers are Canadian Western Lumber Co., B. C. Plywood, Ltd., with plants on the Fraser River and at Port Alberni, controlled by the H. R. MacMillan group, and Pacific Veneer, Ltd., near New Westminster, financed by Czech interests. Pacific Veneer, which brings birch for hardwood veneer all the way from the Cariboo country, is allied with another sawmill group which recently acquired more than a billion feet of standing timber and has become one of the biggest timber holders in the province.

Midwest Iron Mining Corp. has located a body of "iron carbonate" in a program of diamond drilling. The deposit is described by Dr. J. F. Wright, consulting geologist, as similar in character to Michipicoten iron deposits. Drilling is being continued.

Canadian Cottons Profit to Drop

Company in Good Shape, But Wartime Factors Squeeze Earnings

From Our Own Correspondent

MONTREAL.—Due to wartime factors Canadian Cottons Ltd. earnings this year are expected to be substantially lower than in the past few years, E. C. Fox, chairman of the board, told shareholders at the annual meeting, adding that the company is in "healthy shape."

The greatest problems facing industry today, Mr. Fox said, were labor and depreciation.

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P.M.10-43

Ontario Nickel Corp. advises the Toronto Stock Exchange payment has been received for an additional 75,000 shares, part of the June 15 option installment under amended agreement of April 1, 1941, with George H. Johnston. Issued capital is 5,679,408 shares.

* * *

Kobold Mining Syndicate has been incorporated with a capitalization of 35,000 shares. Head office is in Toronto.

The de Havilland Aircraft of Canada has declared an extra dividend of $1.75 a share toward arrears on its preferred stock, payable, along with the regular quarterly payment of the same amount, on June 15, 1943, to shareholders of record June 1. After taking this payment into account, arrears would amount to $50.75 a share on June 15 this year.

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BRANCHES FROM COAST TO COAST

Position of Chartered Banks of Canada as of April 30, 1943, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere.	Bal. due to other Banks in Canada	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	11,717,032	88,025,278	24,153,737	....	499,861,426	466,093,507	112,470,086	3,307,442	14,078,481	7,456,264	....	17,216,483	2,468,725	560,539	39,000,000	36,000,000	1,322,409,004
Nova Scotia	5,227,958	9,299,108	2,723,875	....	111,858,701	175,350,917	66,279,127	3,904,231	1,413,360	2,607,882	....	22,992,235	520,886	12,432	24,000,000	12,000,000	438,190,718
Toronto	1,604,154	3,656,077	3,159,780	....	78,806,000	109,387,155	680,170	296,942	608,893	544,279	....	1,926,380	....	154,007	12,000,000	6,000,000	218,823,841
Provinciale	1,512,323	901,473	906,506	....	17,266,000	54,024,282	31,276	....	....	44,583	....	87,568	14,396	4,229	1,000,000	4,000,000	79,792,641
Commerce	11,118,113	9,063,802	25,513,494	....	360,186,312	380,818,106	84,065,537	2,986,316	6,888,353	5,731,651	....	23,384,429	....	469,847	20,000,000	30,000,000	960,225,965
Royal	14,477,830	14,559,133	25,216,018	....	490,316,594	404,149,952	285,356,971	1,116	4,789,468	13,427,085	....	30,092,851	906,491	576,434	20,000,000	35,000,000	1,338,869,949
Dominion	2,173,701	4,258,504	4,426,788	....	81,722,322	95,481,764	8,575,241	1,366,179	803,781	471,492	....	5,697,707	557,748	140,905	7,000,000	7,000,000	219,676,137
Nationale	2,398,287	2,303,976	2,122,309	....	61,056,375	127,085,854	565,530	1,660,178	33,526	834,906	....	409,463	46,656	110,308	5,000,000	7,000,000	210,627,374
Imperial	2,393,435	8,593,538	25,058,680	....	92,705,173	108,052,376	337,966	1,471,242	877,374	1,227,598	....	2,763,664	....	145,639	8,000,000	7,000,000	258,626,690
Barclays (Canada)	615,705	3,325,779	2,679	....	6,426,349	5,808,299	4,302,903	89,612	2,990,600	2,039,863	....	976,896	17,682	....	750,000	1,500,000	28,846,371
Total	53,238,538	143,986,668	113,283,866	....	1,800,205,252	1,926,252,212	562,664,807	15,083,258	32,483,838	34,385,603	....	105,547,676	4,532,584	2,174,340	136,750,000	145,500,000	5,076,088,690

SUPPLEMENTARY INFORMATION

NAME OF BANK	Capital Authorized	Capital Subscribed	Last Dividend	†Loans to Directors and firms of which they are partners	Average Notes and Deposits with Bank of Can.	Greatest Amount of Notes in Circ.
	$	$	%	$	$	$
Montreal*	50,000,000	36,000,000	8	139,686	117,427,302	12,131,052
Nova Scotia	15,000,000	12,000,000	10	1,468,887	29,931,000	5,227,958
Toronto	10,000,000	6,000,000	10	571,064	13,963,761	1,665,509
Provinciale	5,000,000	4,000,000	5	119,491	7,902,642	1,535,943
Commerce	50,000,000	30,000,000	6	763,846	70,504,878	11,524,146
Royal	50,000,000	35,000,000	6	702,572	83,531,493	15,289,579
Dominion	10,000,000	7,000,000	8	512,053	17,665,144	2,194,866
Nationale	10,000,000	7,000,000	6	134,155	19,229,806	2,431,022
Imperial	10,000,000	7,000,000	8	379,797	22,588,659	2,470,170
Barclays (Canada)	1,500,000	1,500,000	....	1,000	1,706,256	640,035
Total	211,500,000	145,500,000	....	4,792,551	384,448,941	55,110,280

▲Of this amount, $46,614,131 represents deposits in Canada in currencies other than Canadian. †And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada	Gold and Subsidiary Coin held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes of Other Banks	Govt. and Bank Notes other than Canadian	Cheques on other banks	Balances due by other banks in Canada	Due by banks in U.K.	Due by banks elsewhere	Govt. sec. short term	Govt. sec. long term	Canadian municipal securities	Public sec. other than Canadian
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	1,450,906	48,070	26,370,810	100,126,147	381,585	577,737	58,684,983	10	15,741,990	29,784,731	525,620,414	156,670,214	13,103,958	62,346,078
Nova Scotia	423,639	997,456	9,403,770	19,857,239	71,108	9,999,743	15,370,059	....	12,309,059	15,773,974	113,558,356	65,016,706	8,687,962	4,236,842
Toronto	343,575	....	5,118,489	13,462,468	26,310	92,250	8,330,873	....	1,605,414	3,091,256	87,442,479	32,175,382	1,615,113	....
Provinciale	346,638	....	2,740,874	3,866,505	37,660	33,626	2,676,553	11,760	24,856	1,108,907	22,803,315	14,028,069	9,915,730	....
Commerce†	1,101,471	179,879	18,548,057	58,135,776	112,990	2,586,477	33,707,053	3,503	5,349,483	26,521,262	343,313,066	147,821,655	3,976,015	37,299,437
Royal	1,405,949	1,363,767	28,168,223	55,717,029	345,546	35,054,689	69,583,894	1,271	17,843,754	43,915,135	444,137,396	191,261,673	10,157,862	62,952,076
Dominion	324,530	177	3,450,611	10,608,563	40,425	109,124	10,620,786	178	2,163,289	4,555,309	79,353,424	28,167,922	1,059,395	1,108,252
Nationale	785,799	....	8,276,976	8,523,021	100,490	64,850	9,856,961	1,188,991	130,286	1,123,106	67,861,615	39,474,604	13,203,453	569,888
Imperial	422,176	....	6,401,059	12,770,015	57,810	83,153	13,388,728	673,237	562,323	4,208,603	95,786,226	36,680,570	4,975,361	....
Barclays (Can.)	7,604	....	158,688	1,368,511	1,160	2,058	266,072	490,678	1,801,279	6,102,697	5,841,262	7,219,254	1,000	48,000
Total	6,612,287	2,589,349	108,637,557	284,435,274	1,178,034	48,603,707	232,485,962	2,369,628	57,431,733	136,178,980	1,785,717,553	718,516,149	66,695,849	168,560,573

NAME OF BANK	Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-Current loans	Real estate other than Bank premises	Mortgages on real estate	Bank Premises	Deposit for note circulation	Other assets	Total assets▲
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	20,544,660	2,139,965	42,615,346	198,779,375	13,939,250	1,164,896	21,841,000	108,818	175,100	464,792	13,900,000	908,058	1,829,937	1,336,532,373
Nova Scotia	9,281,890	2,474,565	2,114,736	99,242,301	16,159,207	101,399	3,414,447	320,316	....	78,583	5,534,118	345,917	2,306,115	439,971,756
Toronto	4,398,113	1,411,919	....	52,477,286	....	....	3,017,429	15,805	....	10,110	2,967,110	175,559	65,160	219,768,490
Provinciale	1,250,252	2,789,617	....	13,520,776	....	27,945	2,007,021	34,360	378,768	235,986	2,038,270	106,971	75,722	80,147,761
Commerce†	8,575,201	6,971,500	14,698,905	181,470,124	17,005,217	512,789	8,060,582	911,735	1,872,299	780,673	13,622,943	900,000	4,361,128	961,683,674
Royal	28,350,033	4,455,019	26,644,576	186,456,332	66,385,375	1,040,501	14,917,235	1,194,783	1,381,888	806,565	13,399,407	1,110,000	3,986,283	1,342,129,147
Dominion	1,945,967	1,018,552	4,649,121	57,934,528	277,153	647,805	1,097,899	127,282	16,208	28,125	5,191,408	185,525	198,985	220,578,256
Nationale	3,979,885	2,656,576	....	41,759,588	....	404,428	3,996,288	133,651	1,237,566	709,341	4,620,644	178,537	342,611	211,670,599
Imperial	578,954	1,068,812	....	69,886,937	....	130,698	3,567,318	115,855	13,303	146,650	5,389,613	196,172	66,742	259,927,960
Barclays (Can.)	....	142,100	....	3,493,982	....	....	200,000	1,330	....	....	721,734	31,690	2,973	28,878,962
Total	78,904,955	25,128,634	90,722,684	905,021,219	113,766,202	4,030,461	62,119,219	2,963,955	5,175,130	3,261,325	67,385,233	4,088,429	13,235,655	5,091,298,008

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above statement.—Footnote to Canadian Bank of Commerce return.

▲Total assets include $105,547,676 letters of credit outstanding as shown in liabilities.

THE WEEK'S QUOTATIONS

Montreal and Toronto Week ending Monday close

Winnipeg and Vancouver Week ending Saturday close

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING JUNE 7

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

June 8, 1943

%	Due	Bid	Ask.
5	Oct. 1943	101	102
2	June 1944	100¼	101¼
1½	Sept. 1944	99¾	100¼
a2½	Jan. 1944	100	101
4½	Oct. 1944	103¾	104¼
2½	Nov. 1944	101¼	102¼
a2½	Aug. 1945	100¼	101¼
4	Oct. 1945	100¼	101¼
2	Mar. 1945	100¼	101¼
2	Dec. 1946	99¾	100¾
4½	Feb. 1946	106¼	107¼
2½	Mar. 1948	99¾	100¾
1½	May 1946	99¾	100¾
a2½	Jan. 1948	101¼	102¼
3½	June 1949	102¾	103¾
3½	Oct. 1949	102¼	103¼
a3	June 1951	102	103
3½	Nov. 1951	102¾	103¾
3½	Feb. 1952	103¼	104¼
4	Oct. 1952	106¼	107¼
3	Oct. 1952	100¾	101¾
a3	Jan. 1953	103¼	104¼
3	June 1955	99¾	100¾
a3	Nov. 1956	99¼	100¼
4½	Nov. 1956	106¾	107¾
4½	Nov. 1957	107¾	108¾
a3	Mar. 1954	100¾	101¾
a3	Jan. 1958	102¾	103¾
3	June 1958	99¼	100¼
4½	Nov. 1958	108¼	109¼
4½	Nov. 1959	109¼	110¼
a4	Oct. 1960	109¼	110¼
a3½	Jan. 1961	104	105
3½	June 1966	102¼	103¼
a3e	Jan. 1967	101¼	102¼
a3e	Nov. 1968	101¼	102¼
†3	Perpetual	94¼	95¼

Can. Nat'l Railways: Dominion Guarant'd Bonds

%	Due	Bid	Ask.
2½	Jan. 1946	100¾	101¾
3	May 1944	101¼	102¼
3	Dec. 1950	100¾	101¾
3	Jan. 1959	99	100
*4½	Sept. 1951	121¼	123
*4½	Feb. 1956	125	126¼
4½	July 1957	125¼	126¾

%	Due	Bid	Ask.
3	Feb. 1953	100¼	101¼
4½	June 1955	126¼	128
5	Feb. 1954	117¼	118¼
*5e	July 1969	117¾	119¼
*5e	Oct. 1969	126	127¼
*5e	Feb. 1970	125¼	127¼
Can. Nat. W. Ind. S. S.:			
5	Mar. 1955	128	130
Grand Trunk Pacific Rly.:			
3	Jan. 1962	107¼	109¼

Provincial Gov't Bonds

%	Due	Bid	Ask.
New Brunswick:			
3	Oct. 1951	97¼	98¼
3½	Aug. 1949	97¾	99¾
3½	June 1956	99¼	101¼
c4	Nov. 1947	111¼	113¼
4½	Apr. 1961	114	116
c5	Jan. 1960	118¼	120¼
Nova Scotia:			
3	Jan. 1952	98¾	100¾
3½	June 1956	99¼	101¼
3½	Nov. 1950	101¼	103¼
c4½	Sept. 1952	115	117
c4½	Nov. 1960	119¼	121¼
c5	Mar. 1960	123¼	125¼
Ontario:			
2½	May 1945	101	102¼
3	Apr. 1943	100	102
3	Nov. 1950	100	101¼
3½	Nov. 1951	101¼	102¾
3½	May 1955	101	102¼
4	June 1962	119	121
4½	June 1950	108¼	110¼
*4½	Jan. 1962	125	127
5	Oct. 1948	109¾	111¼
*5	Dec. 1960	129	131¼
*5½	July 1946	107¾	109
Ont. Hydro Commission:			
3	Aug. 1948	100	102
3½	Feb. 1953	100¼	102¼
3½	Apr. 1947	102¼	104¼
Prince Edward Island:			
4	Mar. 1954	101¼	103¼
Quebec:			
3	Nov. 1947	99¼	101¼
3½	Mar. 1948	100	102

%	Due	Bid	Ask.
3½	Mar. 1959	100	102
4	Nov. 1952	103¼	105¼
3½	Feb. 1955	101¼	103¼
4½	Aug. 1958	107	109
4½	Jan. 1963	111	113
Alberta:			
4½	Oct. 1956	87¼	90¼
4	Dec. 1954	81¼	84¼
*5	Oct. 1959	88¼	91¼
c5½	Apr. 1952	89¼	92¼
6	Mar. 1947	86¼	89¼
British Columbia:			
4	Dec. 1957	114¼	116¼
*4½	Jan. 1951	116	118
c4½	Oct. 1953	116	118
c5	Apr. 1954	120	122
5½	Feb. 1945	103	105
6	Feb. 1947	108¾	110¾
Manitoba:			
c4	Dec. 1957	109	111¼
c4½	Dec. 1956	113¼	116
*5	Dec. 1959	118¼	121
5½	Oct. 1955	113	115¼
6	Apr. 1947	107	109¼
Saskatchewan:			
4	Sept. 1954	92¾	95¼
4	Nov. 1960	91¾	94¼
c4½	Oct. 1951	101¼	104¼
c4½	Mar. 1960	99¾	102¾
5	Aug. 1958	99¾	102¼
5½	Oct. 1952	100	102¼
6	Mar. 1952	102¾	105¼

*-Payable Can., N.Y., £. c-Payable Can. & N.Y. a-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. e-Callable at a premium. ‡-N.Y. funds. §-Calculated to 1960 average maturity. ¶-Call able on or after earliest maturity shown and payable at maturity at 101.

Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

June 8, 1943

Industrial:	Bid	Ask.
Acme Farm., pf.	73	78
Andian National	21	..
Anglo C. Tel., A	8	8½
Atlas Steels, c.	20	..
Do., pref.	105	108
B. C. Pulp, c.	12½	14½
	78	82

	Bid	Ask.
Minn. & Ont. p.c.	7½	8½
Mt. Royal Htl. c.	2½	4
M'row Screw, p.	100	103½
Do., com.	14	16
Moirs, pfd.	15½	..
Morrison Br. un.	6	8
Neilson, Wm., c.	10	..
	101	..

	Bid	Ask.
Canadian Fire	73	78½
Confed. 30% pd.	130	140
Continental L.	27	30
Crown Life	250	270
Dominion Fire	134½	138
D. of Can. Gen.	125	..
Dom. Life	175	200
Empire, 25% pd.	6	7½
Excelsior 40% pd.	71½	76

Unlisted Mines

Toronto, June 1, 1943

OIL ROYALTIES

Producing Wells — Prices and Payments

Do., No. 8 gr.	165	225	....	129.60	160.40		5,000
Do., No. 8 dfd.	320	320	134.00	143.60	....	†375.60	1,500
Do., No. 9 gr.	320	320	159.60	....	....	......	2,800
Do., No. 9 pfd.	320	320	....	107.96	....	†5,121.82	5,000
Do., No. 9 dfd.	300	300	90.12	148.61	....	†5,253.23	2,800
Miracle No. 1 net	300	300	129.20	87.04	....	......	....
Do., No. 1 gr.	160	200	91.16	75.88	....	†1,201.58	3,600
Do., No. 2 pfd.	160	200	82.90	....	....	......	5,700
Do., No. 2 gr.	...	...	....	....	....	......	3,600
Miracle No. 3 pfd.	...	...	....	....	....	......	
Do., No. 3 gr.	...	...	....				
National Vulcan							

*Approximately 25% over dealers' bid price. †To March 31 only.
§ Approximate.

Mining Stocks

Oil Stocks

*Paid in 1942. †Interim paid in 1943.

Volume of Stock Sales

	Montreal Markets Indust.	Montreal Markets Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
June 8	35,600	36,600	694,000	......
June 7	48,000	19,000	867,000	29,800
June 5	39,000	10,400	467,000	22,950
June 4	63,100	34,900	886,000	51,800
June 3	80,900	14,200	697,000	19,760
June 2	60,200	7,100	695,000	7,600

Annual Meetings

1943	Company	Place
June 11	Que. Gold Mining	Montreal
June 15	Castle-Treth. Mines	Toronto
June 15	McI.-Porcupine Mines	Toronto
June 15	Omega Gold	Toronto
June 15	Photo Engravers	Toronto
June 15	Temiskaming Mining	Toronto
June 15	Western Grain*	Winnipeg
June 16	Dom. Textile	Montreal
June 16	Sylvanite Gold	Kirkland Lake
June 21	T. G. Bright & Co.	Niagara Falls
June 22	National Grocers	Toronto
June 25	Astoria Que. Mines	Quebec
July 14	Ritz-Carlton Hotel*	Montreal

*Bondholders.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
Un. Gr. Gr. (C)	4½%	1949	July 2	102
Do., (A)	5%	1948	July 2	101
Shawinigan W.	*4%	1961	Oct. 1	103
Nan-Dun. Utl. A	5½%	1964	July 2	104
Para. Pict. deb.†	4%	1956	June 23	103
Ham. By-Pd. c.‡	5%	1955	June 30	102.8
Col. Steamships	6%	1954	July 1	102
Okanagan Tel.	4½%	1960	July 1	102
Unit. Amuse. A▲	5%	1956	Aug. 1	103½
Inter. Power	6%	1955	July 2	103

*$2,224,000 †$3,000,000. ‡$22,000. ▲$19,000.

Municipal Bonds

June 8, 1943

	%	Due	Bid	Ask.	Yld. %
†Halifax	5	1961	116.00	119.00	3.56
Hamilton	5	1950	110.00	113.00	2.95
Montreal	5	1945	96.00	99.00	*
Ottawa	4½	1945	104.00	105.50	2.07
†Quebec	5	1959	113.75	116.75	3.82
Saint John	5	1950	105.00	108.00	3.83
†Toronto	4½	1955	119.00	122.00	2.35
†Vancouver	5	1970	108.00	111.00	4.31
Winnipeg	5	1944	100.00	102.25	1.96

†Payable Can. & N. Y. *Flat.

Drilling Wells

Well:	Drilling depth ft.	Offering price per 1%
Maryland Pete, pfd.	8,723	*$4,375
Major Oil No. 6 pfd.	8,022	3,800
Major Oil No. 6 gr.	8,022	6,300
Empire pfd. (Ont.)†	....	1,100
Phillips Kinsella Ltd.†	....	2,100

*Pegged price. †Acreage royalty.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Corporation Bonds (Cont'd)

McColl-Fron.	4½	'49	102½	105	102
McCormicks	4	'52	100	102	100
Do.	4½	'52	102	..	102
Mercury Mills	5	'59	100	103	100
Mersey Paper	5	'57	95	..	95
†Do.	6	'49	96	..	96
•M. & O. Paper	5	'60	102½	104½	101
Moirs Ltd.	6	'53	83½	..	81½

STOCKS NOT TRADED THIS WEEK

Supplementary Stock Quotations

(Furnished by Plaxton, McDonnell & Co., Toronto)

June 8, 1943

	Bid	Ask
†Nor. Amer. Elev. 1st pf.	26	..
*Do., 2nd pref.	..	1
Do., com.	1½	..
Nor. Telephone, c.	.04c	..
Numaque Mining	21	22½
Que. Pulp & Paper pfd.	4	..
Ritchie Cut Stone pfd.	19	..
P. L. Robertson Mfg. c.	43	45
Do., $2.50 pfd.	96	99½
St. John Dryd. 5½% pf.	2	..
Sincennes McN. com	26	28½
Supertest Pete. 6% pf.	3½	4
Un. Farmers Co-op.	7½	8½
Waterloo Mfg.	2¾	3¾
Windsor Hotel, com.		

*Issue carries arrears.
†Currently paying on arrears.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$12.02	$11.80	$12.44
Hogs	16.75	16.77	15.35
Copper, lb	*.12	.12	.12
Cotton, lb.	.2206	.2210	.1993
Sugar, raw, lb.	*.0374	.0374	.0374
Wheat, Man. (bu.)	1.01¼	1.00⅛	.79⅞
Coffee, lb.	*.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	104.0	103.8	98.8
Dow Jones (fut.)	92.15	91.70	84.35
Wood, Gundy	80.2	80.2	76.9
Fishers	112.3	111.2	106.8
Monthly Indices			
Canada (D.B.S.):	118.1	117.6	116.1
Retail (May)	98.9	98.5	95.0
W'sale (Apr.)	103.4	102.5	97.6
U. S. (Mar.)	161.7	161.9	158.5
Gt. Brit (Feb.)			

Note:—The base of indices is that 1926 equals 100 †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good, over 1,050 lb., top price Toronto Copper - electrolytic. New York, No. 7 coffee. Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat — No. 1 Man. North., Ft. W.-Pt. A. basis. Cotton, raw, spot, N.Y.

*Ceiling prices fixed by the office of Price Administration.

Investment Trusts

	Bid	Asked
Affiliated Funds	3.33	3.65
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	3.75	4.10
Can. Investors	5.00	...
Corp. Investors	6.00	6.45
Trans-Canada	10.70	11.50

Mining Stocks

Oil Stocks

*Paid in 1942. †Interim paid in 1943.

Bond Tenders

5 p.m., June 15, Prescott—$29,500, 3½ per cent 10 year serial debentures dated June 15, 1943. J. Ransom, clerk (See announcement on page 3).

Wheat Prices

Winnipeg Grain Futures

Week of June 7, 1943

Crop year from Aug. 1, 1942 High	Low		High for week	Low for week	Close June 7
		Wheat			
1.03⅝	.95⅛	July	1.01⅜	.99⅝	1.00⅞
1.04¼	.96	Oct.	1.02⅜	1.00¾	1.02
1.03	.99⅝	Dec.	1.03	1.01⅛	1.02⅜
		Oats			
.51½	.47⅝	July	.51½	.51½	.51½
.51½	.49⅜	Oct.	.51⅛	.51⅛	.51½
.51½	.51½	Dec.	.51½	.51½	.51½
		Barley			
.64¾	.62⅝	July	.64¾	.64¾	.64¾
.64¾	.62¾	Oct.	.64¾	.64¾	.64¾
.64¾	.64½	Dec.	.64¾	.64¾	.64¾
		Rye			
.88¾	.65	July	.88¾	.86½	.88
.89⅞	.70⅛	Oct.	.89⅞	.87	.89
.89¾	.89	Dec.	.89¾	.89	.89

Cash Quotations

	For Week June 7 High	Low	Prev. Week High	Low
Wheat:				
1 Nor.	1.01⅜	.99¾	1.00¼	.98⅛
2 Nor.	.97¾	.96⅜	.96⅞	.95⅛
3 Nor.	.95¼	.92¾	.94⅛	.93⅛
4 Nor.	.90½	.88¾	.90⅜	.89¼
5 Wheat	.86¼	.83¾	.85⅞	.85⅛
6 Wheat	.85	.82¾	.84⅞	.84⅛
Oats:				
2 C. W.	.50⅛	.50¾	.51½	.50⅝
3 C. W.	.50	.49	.50¼	.49⅛
Barley:				
1 Feed	.60¾	.60¾	.62	.60⅛
2 Feed	.59¾	.59¾	.60¾	.59⅛
Rye:				
2 C. W.	.87¾	.86	.87	.83⅛

Hydro Load Gains in April

Demand for primary power on all Hydro systems during April, 1943, exceeded that for the corresponding month last year by more than 110,000 horsepower. This upward trend, recorded in the monthly summary of loads released by the Hydro-Electric Power Commission of Ontario, represents an increase of 5.2%.

Combined primary and secondary load demands also increased.

PRIMARY LOADS

	Maximum 20-Min. Peak H.P. Apr., '43	Apr., '42	% Incr.
Niagara system	1,693,432	1,607,775	5.3
Eastern Ontario	191,287	170,958	11.9
Georgian Bay	46,272	43,934	5.3
Thunder Bay	99,102	106,588	—7.0
Northern Ontario	211,678	202,264	4.7
Total, all systems	2,241,771	2,131,499	5.2

Pulp & Paper Lead Trading

Pulp and paper issues were the most active traders among the unlisted stocks during the past week, states Plaxton, McDonnell & Co. The majority of the other issues were also stronger. B. C. Pulp & Paper common sold at 13 for a gain of 2 points. Brown Co. common gained 30c. and the preferred showed a gain of 3 points at 40-43.

Burns A gained ¾ point and the B shares advanced ½ point at 5¾-6¾. Canadian Industries B common advanced 1 point, closing 153-155. Canadian Industries 7% preferred showed a similar gain at 162½-164½. Canadian Westinghouse was fractionally firmer at 43½-45.

Goderich Elevator gained ½ point, while Hayes Steel Products improved ¾ point at 14¾-15¾. Loblaw Inc. gained ½ point at 12-13½. Western Grain 6½% preferred gained 2 points closing 35-38.

PRIMARY AND SECONDARY LOADS

Niagara system	1,747,587	1,669,062
Eastern Ontario	191,287	172,077
Georgian Bay	46,272	44,256
Thunder Bay	129,759	131,166
Northern Ontario	259,265	255,884
Total, all systems	2,374,170	2,302,445

Dividends Declared

	This payment	Date payable	Date of record
Agnew Surpass, pf.	1.75	July 2	May 31
Algoma Steel, pf.	2.50	July 1	June 1
Assoc. Brew.	[illegible]	June 30	May 31
Do., pref.	1.75	July 1	May 31
Anglo Huronian	.10	July 22	June 15
Asbestos Corp.	[illegible]	July 1	June 1
Do., bonus	[illegible]	July 1	June 1
Amer. Cyan. A, B	.12½	July 1	June 12
Acme Gloves, pfd.	[illegible]	July 2	June 18
Alumi. Electric	[illegible]	July 10	June 10
Beath & Son, A.	.30	July 15	July 1
Beatty Bros. A	[illegible]	July 1	June 15
Do., 2nd pref.	[illegible]	July 1	June 15
Bell Telephone	2	July 15	June 23
Bk. of Nova Scotia	[illegible]	July 1	June 15
Belding Corticelli	[illegible]	July 1	May 31
Do., pref.	1.75	July 1	May 31
Barber Ellis	[illegible]	June 15	May 31
Barber Ellis, pfd.	1.75	July 15	June 30
Beattie Gold	[illegible]	June 15	May 12
Bralorne Mines	[illegible]	July 15	June 26
Bright T. G., pfd.	[illegible]	June 15	May 31
Brazilian Tr.	[illegible]	[illegible]	Apr. 27
Brazilian Tr., pfd.	[illegible]	July 15	June 15
Brock S. Mills	[illegible]	June 15	May 14
Buff. Ankerite Gd.	[illegible]	June 17	June 3
Burlington Steel	[illegible]	July 1	June 10
Blue Top Brew. A	[illegible]	[illegible]	June 15
B.C. Power (A)	[illegible]	July 15	June 30
Brant. Cordage, pd.	.32½	July 15	June 20
Brit. Am. Oil	[illegible]	July 2	June 4
Brit. Am. F. & G. p.	1.50	July 1	June 19
Building Prod.	[illegible]	July 1	June 15
B.C. Elec. Rly. p.	[illegible]	July 15	June 30
Canada Cycle	[illegible]	June 30	June 10
Do., pref.	1.25	July 1	June 10
Canadian Car, pd.	[illegible]	[illegible]	June 22
Can. Gen. Elec.	2	July 2	June 12
Can. Machinery	[illegible]	[illegible]	June 14
Canada Packers	[illegible]	July 1	June 1
Can. Steamsh., pfd.	1.25	July 2	June 4
Can. Cottons	[illegible]	July 2	June 4
Do., pref.	1.50	July 2	June 4
Canadn Oil, pfd.	[illegible]	July 1	June 18
Cariboo Gold	[illegible]	July 2	June 8
Canada Cement, pfd.	1.25	June 21	May 26
Canada Bread	[illegible]	July 1	June 10
Do., 1st pref.	1.25	July 1	June 10
Do., (B) pref.	.62½	July 1	June 10
Chartered Trust	[illegible]	July 2	June 15
Can. Perm. Mtge.	2	July 2	June 15
Can. Canners	.12½	July 2	June 15
Do., 1st pref.	[illegible]	July 2	June 15
Do., conv. pref.	[illegible]	July 2	June 15
Carnation Co.	[illegible]	July 2	June 19
Cn. Fd. & F. A.	[illegible]	July 1	June 1
Can. Celanese	.25	June 30	June 15
Do., pref.	1.75	June 30	June 15
Can. Wire Box (A)	.37½	July 1	June 11
Can. Wire & C. (A)	[illegible]	June 15	May 31
Do. (B)	[illegible]	June 15	May 31
Do., pref.	1.62½	June 15	May 31
Can. For. Invest., pf.	[illegible]	July 2	June 1
Canada Malting	[illegible]	June 15	May 15
Can. Silk Prod.	[illegible]	July 1	May 31
Can. For. Invest., pf.	[illegible]	[illegible]	June 1
Can. Malartic Gold	[illegible]	[illegible]	May 6
Can. Nor. Power	[illegible]	July 26	June 19
Do., pref.	[illegible]	July 15	June 19
Can. Breweries, pf.	[illegible]	July 1	May 15
Can. Crushed Stone	[illegible]	June 15	June 1
Can. Westinghouse	[illegible]	July 2	June 16
Coniaurum Mines	.06	June 30	May 12
Cent. Pat. Gold	[illegible]	June 30	May 31
Col. Steamships	[illegible]	June 15	May 25
Crown Trust	[illegible]	July 2	June 23
Cockshutt Plow	[illegible]	July 1	June 14
[illegible]	[illegible]	June 30	June 14
Do., pr. pref.	[illegible]	July 1	June 14
Do., 7% pref.	1.75	July 1	June 14
Do., 2nd pref.	1.75	July 1	June 19
Central Can. Loan	[illegible]	July 2	June 30
Comm. Alcohols	[illegible]	[illegible]	June 30
Do., pref.	[illegible]	July 15	June 30
Cons. Bakeries	.20	July 1	June 10
Consumers' Gas	2	July 1	June 15
David & Frere (A)	[illegible]	June 30	June 15
deHavilland Air	[illegible]	July 1	June 1
Do., arrears	[illegible]	July 1	June 1
Dunlop Tire, pref.	[illegible]	[illegible]	June 15
Deb. & Secs., pfd.	[illegible]	[illegible]	June 15
Distillers-Seag.	[illegible]	June 15	May 25
Do., pref.	[illegible]	Aug. 2	July 15
Dome Mines	[illegible]	July 20	June 30
Dom. Textile	[illegible]	July 2	June 15
Do., pref.	[illegible]	July 15	June 15
Dom. Found. c.	[illegible]	[illegible]	June 10
Dominion Stores	[illegible]	June 19	May 24
Dominion Glass	[illegible]	July 15	June 28
Do., pref.	[illegible]	July 15	June 28
English Electric A	[illegible]	June 15	May 31
Foundation Co.	.35	July 23	June 30
Fleet Aircraft	[illegible]	June 30	May 15
Falconbridge N.	[illegible]	June 30	May 4
Ford Motor, A, B	.25	June 15	May 29
Fanny Farmer	.37½	July 1	June 10
Fernie Brew.	[illegible]	[illegible]	June 15
Friedman A. J., pfd.	[illegible]	July 1	June 15
Gt. West Life	3.75	July 2	June 19
Gatineau Pwr.	[illegible]	July 2	June 5
Gt. West Sadd. pf.	[illegible]	[illegible]	June 1
Do., pref.	[illegible]	July 1	June 1
Do., 5½% pref.	1.38	July 1	June 1
Goodyear Tire	.63	July 2	June 15
Do., pref.	.62½	July 2	June 15
Gt. Lks Pap. A, B, p.	.25	July 2	June 2
Greening Wire	.15	July 1	June 1
Hamilton Cotton	.10	July 2	June 15
Do., pref.	.50	July 2	June 15
Ham. Un. Theat., p.	1.25	June 30	June 15
Hard Rock Gold	.03	June 31	May 25
Hinde & Dauch	.25	July 1	June 5
Huron & E. Mtge.	1	July 1	June 15
Hiram Walker	1	June 15	May 14
Do., pref.	.25	June 15	May 14
Home Oil	*■.15	June 15	May 10
Honey Dew	.50	July 1	June 15
Hudson Bay M.	1	June 28	May 28
Hollinger Cons.	.05	June 17	June 3
H. Smith Paper, p.	1.50	July 20	June 30
Indust. Mortgage	1	July 2	June 15
Inter. Nickel, c.	■.50	June 30	June 1
Inter. Nickel, pfd.	1.75	Aug. 2	July 6
Inter. Paper, pfd.	†1.25	June 30	June 18
Imperial Tob. ord.	.10	June 30	May 28
Invest. Found.	.75	July 15	June 15
Inter. C. Baking	1.50	June 30	June 15
Inter. Bronze	■.20	July 15	June 15
Do., pref.	■.37½	July 15	June 15
Inter. Pwr., pref.	1.75	July 1	June 10
Jam. Pub. Serv.	.17	July 2	May 21
Do., pref.	1.75	July 2	May 31
Kerr Addison	.07	June 29	June 1
Lang, J. A.	.17½	July 2	June 10
Langley's pref.	■.50	Sep. 11	Sep. 3
Do.	■.50	Dec. 11	Dec. 3
Lake Shore Mines	.20	June 15	May 15
Landed Banking	1	July 1	June 15
Louisiana Land	†.10	June 15	June 1
Lambton Loan	1	July 2	June 15
Marcus Loew's, pf.	1.75	June 30	June 15
Midland Loan	.40	July 1	June 15
MacK. Struc. Stl., p	§1.25	June 15	May 31
Mitchell Robt.	1	June 30	June 10
Maritime Tel.	.17½	July 15	June 19
Do., pref.	.17½	July 15	June 19
McColl-Front., pfd.	1.50	July 15	June 30
McK. Red Lake G.	.03	June 17	June 1
Montreal Cottons	1	June 15	May 31
Do., pref.	1.75	June 15	May 31
Model Oils	.02	June 19	May 22
Montreal Loan	.31¼	June 15	May 31
Melchers Dist. pfd.	.30	June 30	May 31
Macassa Mines	.06	June 15	May 31
Modern Containers	.30	July 2	June 20
Do., pref.	1.37½	July 2	June 20
Mtl. C. & D. Bank	3+1	July 1	June 15
Montreal Teleg.	•.48	July 15	June 15
Moore Corp.	.55½	July 1	June 10
Do., A, B, pref.	†1.75	July 1	June 10
Murphy Paint	.20	July 1	June 15
Do., pref.	1.37½	July 1	June 15
National Grocers	■.40	July 1	June 1
Do., pref.	.37½	July 1	June 1
National Brew.	.50	July 1	June 2
Do., pref.	.44	July 1	June 2
Nat. Steel Car	1	July 15	June 15
Natl. Trust	2	July 2	June 19
North Star Oil pf.	.08¾	July 2	June 15
New Meth. Ldy p	1.62½	June 17	May 31
Noranda Mines	1	June 15	May 14
Nor. Ont. Pwr.	.12	July 26	June 30
Do., pref.	1.50	July 26	June 30
Ont. Loan & Deb.	1.25	July 2	June 15
Ont. Tobacco, pfd.	3	June 15	June 1
Ottawa L. H. & Pr.	.15	July 1	May 10
Do., pref.	1.25	July 1	May 10
Ogilvie Flour	.25	July 1	May 28
Ont. Steel Prod.	.25	Aug. 16	July 16
Do., pref.	1.75	Aug. 16	July 16
Ottawa El. Rly.	.50	July 1	June 1
Page Hersey	1.25	July 1	June 15
Perron Gold	■.02	June 30	May 31
Paton Mfg.	*1	June 15	May 31
Do., pref.	1.75	June 15	May 31
Pickle Crow	.05	June 30	May 31
Placer Devel.	.25	June 15	May 21
Power Corp.	■.15	June 30	June 10
Do., pref.	■1.50	July 15	June 19
Do., 2nd pref.	■.75	July 15	June 19
Preston E. Dome	.05	July 15	June 15
Price Bros., pfd.	1.37½	July 1	May 31
Pend Oreille M.	†.06	July 28	June 26
Proprietary Mines	.07	July 7	June 4
Porto Rico Pr, pfd.	1.75	July 1	June 10
Real Est. Loan	1	July 2	June 17
Riverside Silk	.50	July 2	June 12
Regent Knit., pfd.	.40	Sept. 1	Aug. 2
Do.,	.40	Dec. 1	Nov. 2
Reliance Grain, p.	1.62½	June 15	May 31
Russell Indust.	.20	June 30	June 10
Do., pref.	1.75	June 30	June 10
Sigma Mines	■.30	July 28	June 28
Sherritt Gordon	.03	June 30	May 14
Sherwin-Wms. pf.	1.75	July 2	June 10
Simon & Sons	.15	June 30	June 8
Do., pref.	1.75	June 30	June 8
Simpsons Ltd.	▲2.00	June 15	May 15
Siscoe Gold	.01½	June 15	May 12
South Can. Pwr.	■.20	Aug. 16	July 20
Do., pref.	■1.50	July 15	June 19
Sylvanite Gold	.03	July 15	May 25
Stedman Bros.	.15	July 1	June 20
Do., pref.	.75	July 1	June 20
Securities Holding, p.	.75	June 30	June 16
Stand. Fuel, pfd.	1	July 1	June 15
Do., arrears	1	July 1	June 15
Sullivan Cons.	.02½	July 15	June 15
Sun Life Assur.	3.25	July 1	June 15
Supersilk H., pfd.	2.50	July 2	June 18
Supertest P. c. ord.	.50	July 2	June 18
Do., B pref.	.75	July 2	June 18
Tip Top Tailors	.07½	July 1	June 1
Do., pref.	1.75	July 1	June 1
Tamblyn	.20	July 1	June 11
Do., pref.	.62½	July 1	June 11

DIVIDEND NOTICES

The Sherwin - Williams Company of Canada, Limited

NOTICE IS HEREBY GIVEN that the one hundred and twenty-eighth quarterly dividend of one and three-quarters per cent (1¾%), being at the rate of seven per cent. (7%) per annum for the quarter ending May 31, 1943, on the Preferred Stock of the Company has been declared payable to Shareholders of record the 10th day of June, 1943, and that cheques will be mailed July 2, 1943.

Books not closed.

By Order of the Board.

P. W. HOLLINGWORTH, Secretary-Treasurer.

Montreal, Quebec. April 8, 1943.

Acme Glove Works Limited

DIVIDEND NOTICE

A dividend of Three and One Quarter Per Cent (3¼%) has been declared upon the 6½% Cumulative Preferred Shares of Capital Stock of this Company, to be paid on the second day of July, 1943, to shareholders of record at the close of business on June 18th, 1943.

By Order of the Board.

C. H. DAWSON, Secretary.

Montreal, June 2nd, 1943.

The Murphy Paint Company Limited

The following quarterly dividends have been declared by the Board of Directors payable on 1st July, 1943, to shareholders of record at the close of business on 15th June, 1943.

Preferred Stock — 1⅜% (being at the rate of 5½% per annum).

Common Stock — Twenty cents (0.20) per share on the No Par Value shares.

P. L. TOD, Secretary.

Montreal, 27th May, 1943.

Sun Life Assurance Company of Canada

Head Office : Montreal
Stock Transfer Department

Notice is hereby given that a dividend of three dollars twenty-five cents ($3.25) per share on the capital stock of the Company has been declared for the quarter ending June 30th, 1943, and will be paid on July 1st, 1943, to shareholders of record at the close of business June 15th, 1943.

The stock transfer books of the Company will be closed from June 16th to June 30th, both dates inclusive, for the preparation of the above dividend.

By Order of the Board,

F. J. CUNNINGHAM, Secretary.

SIMON'S

H. Simon & Sons Limited

Dividend Notice

A Dividend of $1.75 per share has been declared upon the outstanding 7% Cumulative Preferred Stock of H. SIMON & SONS LIMITED, said Dividend to be payable on the 30th day of June, 1943, to shareholders of record at the closing of business on the 8th day of June, 1943; also an Interim Dividend of 15 cents per share which has been declared upon the outstanding NO PAR VALUE Common Stock of H. SIMON & SONS LIMITED, said Dividend to be payable on the 30th day of June, 1943, to shareholders of record at the closing of business on the 8th day of June, 1943.

By Order of the Board.

L. B. HARKNESS, Assistant Secretary.

Montreal May 31st, 1943.

CANADIAN CELANESE LIMITED
1401 McGill College Avenue, MONTREAL, P.Q., CANADA

June 1, 1943.

The Board of Directors has this day declared the following Dividends:

SEVEN PER CENT CUMULATIVE PARTICIPATING PREFERRED STOCK

One Dollar Seventy-five Cents ($1.75) per share, which shall be deemed to be for the three months period from April 1, 1943, to June 30, 1943, payable June 30, 1943, to holders of record at the close of business on June 15, 1943.

COMMON STOCK

Twenty-five Cents (25c) per share, in respect of the second quarter of 1943; and, in addition, an extra dividend of Twenty-five Cents (25c) per share, payable June 30, 1943, to holders of record at the close of business on June 15, 1943.

H. BLANCKE, Secretary.

Amalgamated Electric Corporation, Limited

A·E· CORP'N LTD.

INTERIM DIVIDEND

Notice is hereby given that an Interim Dividend of thirty (30c) cents per share has been declared on the outstanding shares, without nominal or par value, of the capital stock of the Company, such Dividend to be payable on July 10, 1943, to Shareholders of record at the close of business on June 10, 1943.

By Order of the Board.

WILLIAM CARSWELL, Secretary.

Dividends Declared (Cont.)

Tor. Gen. Trusts	1	July 2	June 12
Toronto Mortgage	1.25	July 1	June 15
Traders Fin., pfd.	1.50	July 1	June 15
Tuckett Tob., pf.	1.75	July 15	June 30
United Corp. (A)	.38	Aug. 16	July 15
United Fuel, p (A)	.75	July 1	June 10
Viau, pref.	1.25	July 1	June 19
Ventures	■.10	July 7	June 10
Western Grocers	.75	July 15	June 15
Do., pref.	1.75	July 15	June 15
Wabasso Cotton	1	July 1	June 1
Walkerville Brew.	■.05	June 29	June 15
Wr. Hargreaves	.07½	July 3	May 27
Weston, Geo., c.	.20	July 2	June 5
Wilsil	.25	July 1	June 1
H. Walker-Good.	1	June 15	May 14
Do., pref.	.25	June 15	May 14

†N. Y. funds. ■Subject to approval of Foreign Exchange Control Board. ▲On arrears. *Interim. §Initial.
•Net after deducting corporate income tax.

DIVIDEND NOTICES

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

FRIDAY, THE SECOND DAY OF JULY

next, to Shareholders of record at the close of business on the Fifteenth day of June, 1943.

By order of the Board.

WALTER F. WATKINS, Secretary.

Toronto, May 19th, 1943.

Western Grocers Limited

NOTICE OF DIVIDENDS

Notice is hereby given that the following dividends have been declared:

On the Preference Shares 1¾% ($1.75) for the current quarter;

On the Common Shares, 75c per share;

Payable July 15th, 1943, to shareholders of record June 15th, 1943.

By order of the Board.

W. P. Riley, President.

Canadian Wirebound Boxes Limited

Dividend Notice

The Directors of the Company have declared a dividend of Thirty-seven and one-half cents (37½c) on account of arrears on the Class "A" shares of the Company, payable July 1st, 1943, to shareholders of record the close of business June 11th, 1943.

By order of the Board,

F. H. ELLIS, Secretary.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a dividend of $1.25 per share, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter and that the same will be payable on and after

1st July, 1943

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By Order of the Board,

WALTER GILLESPIE, Manager

3rd June, 1943.

DIVIDEND

Chartered Trust and Executor Company

NOTICE is hereby given that a dividend of 1% has been declared on the paid-up Capital Stock of Chartered Trust and Executor Company for the quarter ending June 30th, 1943, payable July 1st, 1943, to shareholders of record at the close of business June 15th, 1943.

By Order of the Board.

E. W. McNEILL, Secretary.

Dated at Toronto, May 20th, 1943.

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 60

NOTICE is hereby given that a dividend of Fifty cents (50c) per Share on Class "A" Shares has been declared for the three months ending June 30th, 1943, payable by cheque dated July 15th, 1943, to shareholders as of record at the close of business on June 30th, 1943. Such cheques will be mailed on July 14th, 1943, by the Montreal Trust Company from Vancouver.

By Order of the Board,

J. A. BRICE, Secretary.

Vancouver, B.C. June 4th, 1943.

Sullivan Consolidated Mines, Limited

Dividend No. 17

Notice is hereby given that a dividend of 2½c per share on the issued capital stock of the company has been declared, payable July 15th, 1943, to shareholders of record at the close of business June 15th, 1943.

By order of the Board.

A. ARCHAMBAULT, Sec.-Treasurer.

Montreal, Que. June 1st, 1943.

Canada Steamship Lines, Limited

Notice is hereby given that a dividend of One Dollar and Twenty-five cents ($1.25) per share on the outstanding preference shares of the company for the half year ending June 30, 1943, has been declared payable July 2, 1943, to shareholders of record June 4, 1943.

Dated at Montreal this 2nd day of June, 1943.

R. BROCK THOMSON, Secretary.

McCOLL-FRONTENAC OIL COMPANY LIMITED

PREFERRED STOCK DIVIDEND NO. 62

NOTICE IS HEREBY GIVEN that a Dividend of $1.50 per share being at the rate of 6 per cent per annum has been declared on the 6% Cumulative Preferred Stock of McColl-Frontenac Oil Company Limited, for the quarter ending June 30th, 1943, payable July 15th, 1943, to shareholders of record at the close of business June 30th, 1943.

By Order of the Board.

FRED HUNT, Secretary.

May 20th, 1943.

Buyers Are Keen For Wheat

U. S. Government May Be Supporting Demand

WINNIPEG. — The prevailing tone of the wheat market has been very strong, stronger than would be apparent from noting only the actual extent of price advances recorded. Advances were recorded in spite of deliveries and sales of new wheat by farmers at a rate close to one million bushels daily and the prospect of still heavier deliveries ahead.

Quite evidently there have constantly been buyers in the market willing to take all the new wheat offered. It is all being sold on the open market and not delivered for account of the Wheat Board.

A considerable part of the buying has come from the United States. Much of it is believed to be in connection with further purchases of wheat for feeding purposes by the Commodity Credit Corporation of the United States. When that body bought 7½ million bushels of Canadian wheat some months ago the purchases were made practically all at one time, through traders who were invited to make offers, and the impact on the market came all at once, to be succeeded by a lull.

Is U. S. the Buyer?

If the United States Government agency has actually been buying again, it may be assumed that this is being done gradually, with some regard for the quantities which may actually be on offer from day to day. On the other hand, it is possible that recent purchases in the cash and futures market merely represent accumulation by dealers who wish to be in a position to make firm offers when the actual buying by the Commodity Credit Corporation materializes.

The impression steadily grows that the United States will require to buy large quantities of Canadian wheat to supplement the feed grain supplies of that country which are disappearing at a rate never before experienced, because of the large livestock population now being carried.

Some observers credit a portion of the buying lately in progress to the Cereals Import Board of Great Britain. It will be recalled that this agency, which buys all the cereals imported by Great Britain, has on several occasions negotiated directly with the Canadian Wheat Board for large quantities of wheat, 100 million bushels or more at a time. The actual price at which these transactions were concluded has not been made public, but it has been widely believed to be in the neighborhood of 87c. per bushel, basis October delivery, with carrying charges to later months added.

It has been supposed that the Wheat Board might not be in a position to make further single sales of this magnitude, for although the Board is undoubtedly carrying large quantities of wheat, a considerable portion of its holdings is not in a position to be delivered now or in the immediate future. Moreover, the Wheat Board is understood to have disposed of some considerable quantities of its wheat through the medium of the open market. Such a condition of affairs, it has been believed, would make it necessary for the Cereals Import Board to go to the open market for some of its needs. The strength of recent buying has led some observers to believe the new method of dealing is actually in effect.

Elevators Are Congested

The technical position of the market is much stronger, on account of out of position wheat, than would at first be supposed from statistics of the quantity of Canadian wheat in store, and deliveries in prospect within the next few weeks. With the present congested condition of elevators, it is impossible for new wheat to be delivered and sold by farmers except as some previously stored wheat is actually moved forward into consumption or export channels. At the same time the pressure of wheat deliveries by farmers tend to ensure that empty space is filled up as created and as farmers sell as rapidly as they deliver, there is a close balance between sales and movement. It is not easy for offerings to outrun demand, while on the other hand it is possible for demand at any moment to outrun supply.

Such a situation inevitably brings discussion of possibly higher prices for wheat. Wheat is one of the few commodities to which a price ceiling does not apply, and in which a higher price might not be opposed by Government policy. No doubt there is some level at which a ceiling would be imposed, in order to prevent this country from asking too high a price from Great Britain. But probably such action would not be taken unless the market should record levels considerably higher than those which have yet been reached.

Oats, Barley in Demand

Demand from the United States for western oats and barley continues very strong, and a much larger business could be transacted if more transportation were available. However, the railways have recently been able to supply a considerable number of American cars for direct all-rail shipment to central western points.

Strength of the demand is indicated by recent increases in the equalization fee charged by the Canadian Wheat Board for export permits for these grains to seven cents a bushel. For a time the rate on oats for all-rail shipment was as low as 2½ cents, and no charge was made for barley permits.

This equalization fee is intended as offset to the fact that Canadian prices for oats and barley are kept down by ceilings to a price decidedly less than such grains can be sold for when exported to the United States. Under other circumstances the system would be open to criticism that, representing essentially an export duty adjusted from day to day to what the traffic will apparently bear, it would tend to restrain trade.

DIVIDEND NOTICES

Consolidated Bakeries of Canada Limited

NOTICE IS HEREBY GIVEN that a dividend of twenty cents (20c) per share on the outstanding shares in the capital stock of Consolidated Bakeries of Canada Limited has been declared payable on the 1st day of July, 1943, to shareholders of record at the close of business on the 10th day of June, 1943.

By order of the Board.

H. O. NEALE. Secretary.

The Mexican Light and Power Company Limited

(Incorporated under the laws of the Dominion of Canada with limited liability)

Notice is hereby given that in accordance with the provisions of the Supplemental Trust Deed securing the 5% Second Mortgage Bonds and Debenture Stock, a payment of thirteen and three-quarters per cent, as under, will be made on 1st July, 1943, to the holders of the Second Mortgage Bonds and Debenture Stock, being the full amount of unpaid accumulation of interest to 1st December, 1942.

(1) Interest at the rate of two shillings and ninepence (2s. 9d.) for each £1 of stock will be paid on 1st July, 1943, by cheque in sterling to Second Mortgage Debenture Stockholders of record at the close of business on 9th June, 1943.

(2) Interest at the rate of thirteen pounds fifteen shillings (£13.15.0) on each £100 bond, and six pounds seventeen shillings and sixpence (£6.17.6) on each £50 bond, will be paid in sterling to holders of Second Mortgage Bonds on presentation of Coupon No. 2-X on and after 1st July, 1943, at the Bank of Scotland, 30 Bishopsgate, London, England, or at the office of The Canadian Bank of Commerce, 25 King Street West, Toronto, or at their Agency in New York, Exchange Place and Hanover St., New York City, U.S.A., at the holder's option but subject to the exchange control regulations applicable thereto.

Necessary forms and information as to where coupons should be presented for payment, etc., in view of exchange regulations can be obtained from the above banks and from:

Canadian & General Finance Co. Ltd., c/o H. Malcolm Hubbard, Esq., 99, The Drive, Hove, Sussex.

THE MEXICAN LIGHT AND POWER COMPANY, LIMITED,

E. A. GRAYDON, Secretary.

Toronto, Canada, 7th June, 1943.

The Business Of Farming

By GORDON L. SMITH

Crop news is better this week though the season as a whole continues far less favorable than a year ago. In western Canada seeding for the most part was completed not so very far behind normal. In eastern Canada spring seeding will be nearing completion this week which means from three to six weeks later than average.

Growth of spring grain in the West is reported fairly good but more sun and warmth is needed. Moisture is adequate for current needs but in contrast to a year ago there is no great surplus over the whole area, though it is plentiful enough in spots.

In the East, of course, moisture has been more than plentiful and due to this, plus the late start and the shortage of help much grain has been sown on poorly prepared ground. Farmers were afraid if they extended preparations longer they might not get a chance to put in seed.

Taking all these facts into consideration then, grain crop prospects at this time are poorer, much behind early June last year, when a record grain crop was in the making.

* * *

Liquidating Hogs?

Already the season is having some effect on livestock. In the Ontario crop report this week several county correspondents mention that the price of little pigs has fallen and many farmers are contemplating sending their brood sows to market. To a city reader that may not mean much but it is significant news to agricultural observers.

It means that farmers worried over grain crop prospects, are afraid that they won't be able to feed as much livestock as originally planned. Hence brood sows, which would normally be producing next winter's pork are being sent to the butcher and little pigs which should be ready for market in five to six months are not in as keen demand as they were a few weeks ago when there was no certainty of a backward spring.

* * *

Pasture and Hay

Fortunately pastures continue in good shape and prospects for hay are excellent, provided, of course, the weather turns dry for cutting and curing this month. These two feeds are essential to cattle and sheep production and especially to dairying. Some concentrated feed is also needed, of course, but if there is plenty of pasture and hay the milk flow is bound to be good. On the other hand, stock like hogs and poultry are almost purely grain feeders, hence the danger of liquidation of such if grain crops are poor over a large part of the country.

* * *

Western Diversification

In discussing the growing diversification of western agriculture some speakers and writers overemphasize the increase in revenue from "sources other than grain." They seem to assume that meat, dairy and poultry products have no connection with grain and if another drought comes along this source of revenue will be unaffected. Unfortunately the situation is not nearly as secure as that.

The huge increase in bacon, poultry, eggs, and beef in western Canada represents grain turned into these products. Instead of selling oats, barley and wheat direct, the farmer feeds it to his livestock and markets the latter. A return of serious drought, of course, would threaten this livestock development just about as much as straight wheat growing. Secondly, the other major lines of diversified farming, dairy products, use hay and pasture, as well as grain for raw materials and drought is a greater menace to hay and pasture than it is to grain. Actually such production requires a moister climate than is necessary for straight grain.

These facts are stressed not with any intention of belittling the trend toward diversified farming in western Canada but merely to explain the peculiar problems involved. As a matter of fact, because of a broader and steadier market alone, the trend is to be greatly desired.

The Week in Business

Last week Canada's "potato panic" got official recognition in a boost of the cost-of-living index to 118.1 as of May 1, from 117.6 a month earlier. Main factor in the hoist was the food index which rose more than a point—129.9 from 128.7, and the principal influence behind the food rise was the gain in potatoes, onions and meats. No change in cost-of-living bonuses will result unless warranted by the index at July 1.

Despite the basic place they occupy in the nation's diet, potatoes are one of the most volatile market performers. A shift of 10% up or down in supply may bring a price change of 100% or more. This year, the potato supply has been affected by a moderately poor crop, increased shipments overseas, usually in dehydrated form, increased consumption, and higher freight charges to the consumer as the vegetable moved between provinces to a greater than normal degree.

	May	Apr.	Mar.	Feb.	Year Ago
Financial Post Production Index	....	257.3	252.4	252.0	208.1
National income D.B.S. (c)	....	....	725	700	583
Dom. war expend. (million $)	....	136.9	....	199.6	135.0
Dom total revenue (do.)	....	177.8	....	169.4	170.8
Dom total expend. (do.)	....	169.5	....	228.1	240.3
Dept. store sales index no.	....	153.1	164.2	154.5	148.8
Retail sales index no.	....	....	167.7	168.5	161.4
Wholesale sales index no.	....	....	173.6	146.2	155.4
Country store (% change pr. yr.)	....	+14.5	+13.0	+16.4	+14.0
■Divd. payment index▲	122.7	122.0	122.1	122.3	120.9
Bank deposits (1935-39=100)	....	163.8	151.7	150.0	140.0
Cash and cheque pay. index	....	162.3	161.9	149.2	144.8
Bank debits (1935-39=100)	....	156.6	158.7	152.1	143.6
Money supply (c)	....	4,536	4,244	4,182	3,835
NEWSPRINT % OF CAPACITY—					
Production ratio	....	62.0	64.2	64.9	75.0
Shipment ratio	....	65.0	64.6	65.1	64.4
RAILWAY FREIGHT LOADINGS—					
Tons (D.B.S. index)	....	201.6	194.1	183.2	189.3
Cars (D.B.S. index)	....	144.1	143.7	139.7	140.3
COST OF LIVING—					
■D.B.S. index	118.1	117.6	117.2	116.9	116.1
EMPLOYMENT INDEX NO. D.B.S.—					
All industries	....	....	181.5	181.2	165.1
Manufacturing	....	....	223.4	222.1	195.7
Payrolls (June 1/41=100) (b)	....	....	143.2	139.5	119.3
Payroll index (a) (1937=100)	....	....	228	214	191

RAILWAYS—	1943	1942	1943 Jan 1 to date	1942 Jan 1 to date	Change %
■Carloadings (week May 29)	62,003	63,386	1,360,510	1,372,815	—0.9
■C.P.R. gross (week May 31) $	8,236,000	6,689,000	111,533,000	99,788,000	+11.8
C.N.R. gross rev. ... (Apr.) $	38,444,000	28,316,000	134,551,000	107,939,000	+24.6
C.N.R. net rev. .... (Apr.) $	9,334,000	7,078,000	26,814,000	22,303,000	+20.2
C.P.R. gross rev. ... (Apr.) $	24,045,596	20,621,507	87,328,253	78,266,351	+11.5
C.P.R. net rev. ..... (Apr.) $	3,790,870	3,556,147	12,468,312	13,540,158	—7.9
IRON AND STEEL—(April)—					
Pig iron production (tons)	150,486	160,408	565,154	634,653	—10.9
Steel production ... (tons)	264,357	264,988	987,915	1,032,828	—4.3
CONSTRUCTION—					
■Contracts awarded (May) $	23,486,900	23,895,400	81,648,100	88,191,000	—7.4
Building permits ... (Apr.)	7,342,378	11,299,775	18,332,275	29,110,718	—37.0
Cement prod., bbls. (Feb.)	277,766	299,361	571,901	582,756	—1.8
AGRICULTURE—					
■Flour prod., bbls. .. (Apr.)	2,057,355	1,960,900	8,204,158	6,908,582	+18.7
■Cattle sales▲ .... (May)	87,876	72,939	402,130	432,270	—6.9
■Hog sales▲ .... (May)	531,813	496,136	2,155,323	2,722,179	—20.8
SEA FISHERIES—‡					
Catch cwts. ...... (Apr.)	297,008	313,507	1,415,238	2,377,574	—40.4
Landed value .... (Apr.)	1,642,790	1,302,052	4,311,922	3,893,978	+10.7
NEWSPRINT—					
Production, tons ... (Apr.)	229,573	227,741	931,779	1,163,581	—19.9
Exports, tons ...... (Apr.)	220,886	221,541	886,650	1,034,434	—16.3
MINING AND OILS—					
Coal prod., tons ... (Mar.)	1,665,853	1,610,232	4,766,921	5,241,510	—9.0
Gold rec., fine oz. . (Mar.) ♦	279,282	377,109	963,137	1,164,622	—17.3
Petroleum prod., brl. (Feb.)	779,998	846,026	1,640,788	1,721,685	—4.7
ELECTRIC POWER OUTPUT—(April)—					
Total monthly 1,000 kw.h.'s	3,268,197	3,082,740	12,766,544	12,394,420	+3.0
OTHER INDUSTRIAL FACTORS—					
■Shoes, prod., pr. ... (Apr.)	2,929,759	2,774,128	11,552,999	10,785,695	+7.1
Cotton consump., lb. (Apr.)	15,899,807	17,863,817	64,587,318	67,591,899	—4.4
Cigarette cons., No.† (Apr.)	966,666,102	767,456	3,858,883	3,076,734	+25.4
FINANCE—					
Bank debits† .... (Apr. 3) $	4,070,713	3,733,219	15,694,067	14,033,701	+11.8
Bond sales† .... (Mar.) $	378,948	1,088,280	1,113,282	1,279,470	—12.9
■Life insurance sales (Apr.) $	51,104,000	36,232,000	178,674,000	154,546,000	+15.6

‡Unrevised figures covering N.S., P.E.I., N.B., Que., B.C.
▲Total at yards and plants. †000 omitted. •Millions of dollars.
♦Supplied by Nesbitt, Thomson & Co. *1935-39=100. (c) 000,000's omitted.
(a) Compiled by Canadian Bank of Commerce. (b) All industries.

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Taxes and Mining

U.S. Tax Load Equals Canada's

But Inclusion of Personal Tax Makes Canadian Load Greater

By GORDON M. GRANT

When the United States mine taxation schedule becomes so complicated that 28 pages are required to elucidate the term "depletion" alone, it might be thought that a comparison of U. S. and Canadian mining taxation would hardly be practical.

But the U. S. and Canadian mine taxation systems have many points in common. So similar are the two systems, in fact, that it is possible to generalize and say that U. S. Federal taxation of mines profits, usually runs a shade higher than that levied by the Dominion.

When other taxes such as the personal income tax are taken into consideration, however, it appears that the over-all tax burden on mining is higher in Canada than the United States.

How Chief Rates Compare

In the United States a minimum of 40% of profits realized from mining is payable as normal tax and surtax with an excess profits tax on top of that of usually 90% of everything by which profits exceed the 1936-1939 average.

In Canada there is a minimum of 40% of profits as taxes too, but, when 100% of the margin of profits over the base period exceeds 10% of the total profit, then the 100%, as defined, is payable instead of 10% of profits contained in the 40% minimum mentioned above.

These tax bills are eased slightly, however, by the fact that 10% of the 90% U. S. excess profits tax is refundable after the war and, that 20% of the 100% Canadian E. P. tax is also refundable for companies paying at the maximum rate.

Depletion Helps

With the sharp increase in taxation rates in the U. S. and Canada, allowances for depletion—or tax-free return of capital—have become relatively more valuable in both countries. Canada allows depletion at a higher rate than the U. S. but even here, 14.7% of mine revenue is the maximum the shareholder can receive back as a tax-free return of capital. The bigger Canadian depletion allowance is the chief reason for believing corporate taxes on profits are heavier in the U. S. than Canada.

But taxes on mining companies in the U. S. and Canada don't end here. The U. S. has its capital stock value tax and an undistributed profits tax. Canada has its sales or turnover tax of 8% which cuts into profits through inflation of costs. State mineral taxes and special provincial mine profits taxes must be considered as well.

Concessions For Strategies

Both the United States and Canadian tax systems offer tax concessions for increased production of strategic minerals but the concession in Canada, in some respects, appears more valuable than that in the United States. In each country the tax concession represents exemption from E. P. T. but in the United States, complete exemption is limited to a specified list of strategic minerals—antimony, chromium, manganese, nickel, quicksilver, tungsten, vanadium, etc. Only a limited exemption is granted for such base metals as copper.

Canada grants complete exemption for production of all base and strategic minerals from new mines for the first three years. This exemption from E. P. T. appears to be a more valuable concession in Canada than the United States as far as actual rates are concerned. The exemption, however, is confined to new mines and doesn't extend to older properties like it does in the U. S.

Any discussion of U. S. and Canadian taxation on mining would be incomplete without something on two related subjects—metal prices and direct aid to prospecting.

By far the majority of Canadian base metal mining companies are supplying the United Kingdom and Canadian Governments with their copper, lead and zinc, at much below world prices. This in a sense is a gift to the countries concerned but in another sense it is a tax. Consolidated Smelters estimates that it would cost the United Kingdom an extra $22 millions a year to buy this company's output at U. S. metal prices.

Not only do U. S. metal producers receive world metal prices but they receive bonus metal prices (often twice Canadian prices) for extra output. Bonus prices have been used in many cases to maintain output where mines were affected by higher costs.

The United States, through its Bureau of Mines, has not only been more active than the Canadian Government in testing deposits but capital assistance provided for the turning out of strategic minerals has been more extensive than in the case of Canada. U. S. capital assistance has even extended to Canada for certain projects of which Steep Rock is an example.

Personal Tax Key Factor

When the over-all load of taxes mining must bear is considered, however, the personal income tax cannot be ignored. Mine earnings are taxed by company taxes and the remainder is taxed again as dividends in the hands of the shareholder. Taking this into consideration, there seems little question but that mining bears a much heavier over-all tax load in Canada than the United States in view of the higher personal tax rates in force in Canada.

How Mine Taxes Compare

UNITED STATES HAS

Federal Profits Taxes:	%
Normal Tax	24
Super Tax	16
	40
Plus—	%
Excess Profits Tax*	90

*Applies on all income in excess of standard period subject to a specified limit. (A 10% postwar refund applies.)

Depletion Allowed:

15% of metal mines' gross income exempt from tax as capital return with 50% of net income as limit. No personal tax allowance.

Other Federal Taxes:

Taxes on such things as capital stock value, undistributed profits, capital gains—nothing comparable in Canada.

Tax Assistance, Etc.:

U. S. grants exemption from E. P. T. on certain strategic minerals; partial exemption for base metals. Aids prospecting and development.

State & Municipal Taxes:

Various taxes. Homestake reported as largest single source of South Dakota income.

Personal Taxation:

Married man with two dependents and $3,000 income, pays $267 tax.

CANADA HAS

Federal Profits Taxes:	%
Corporation Tax	18
E. P. Tax	
Certain	12
Contingent	10
	40
But—	%
Excess Profits Tax*	100

*Applies to all income in excess of standard period instead of 10% clause above if the 100% is greater than the 10%. Refund of 20% under 100% clause.

Depletion Allowed:

Third of operating profits tax exempt as capital return; 20% of dividends tax exempt as personal depletion allowance.

Other Federal Taxes:

Sales or turnover tax of 8% included in cost of supplies, equipment, etc.; mint handling charge. No similar taxes in U. S.

Tax Assistance, Etc.:

New base and strategic mineral mines exempt from E. P. T. for three years. Newer gold mines still enjoying limited corporate tax exemption. Personal tax concessions as well as company for prospecting.

Provincial & Municipal Taxes:

Tax on profits runs as high as 6% in Ontario, Canada's chief mining province.

Personal Taxation:

Married man with two dependents and $3,000 income pays $668 tax including $334 refundable.

The Week in Oils

From Our Own Correspondent

CALGARY.—Imperial Oil has completed plans for another key wildcat in the Alberta foothills. The new site is in the Nordegg area, 50 miles west of Rocky Mountain House, and about three miles southwest of the C. N. R. terminus at Brazeau.

The well is to be known as Imperial-Nordegg No. 1. It is to be drilled with the light rotary rig designed for drilling to 5,000 ft. The Madison objective is looked for around 3,300 ft.

Imperial Oil holds under reservation about 600,000 acres covering the structure which is to be tested by Nordegg No. 1. The well site is about 36 miles northwest of the Ram River No. 2 venture, now making a production test of the Devonian lime; and about 20 miles south and east of the Home-Brazeau venture, drilled to 8,728 ft. and abandoned in 1940.

* * *

Another Taber Test

Dominion Oil Co. this week staked location for another drill-test at Taber. The new well, Taber-C. P. R. No. 75-17-B, is to be drilled with the light rotary now in use at Dominion's Taber-Province No. 37-18-B. The latter well was at 3,084 ft. at last report.

Completion is expected in a few days. The new location is in the northeast quarter of L.S.D. 5 17-19-16w4, quarter of a mile south of the Taber C. P. R. No. 76-17-B (a dry hole), and little more than that distance east and south of the Taber-Province No. 1 discovery producer, which is pumping around 200 bbls. of clean oil per day.

* * *

Drilling permit has been issued for a new test on the central Alberta plains about 10 miles southeast of the Wainwright oilfield and 18 miles southwest of the Dina wells. The new test, to be known as Edgarton No. 1 will be in L.S.D. 1 19-43-4w4, south of the C. N. R. line.

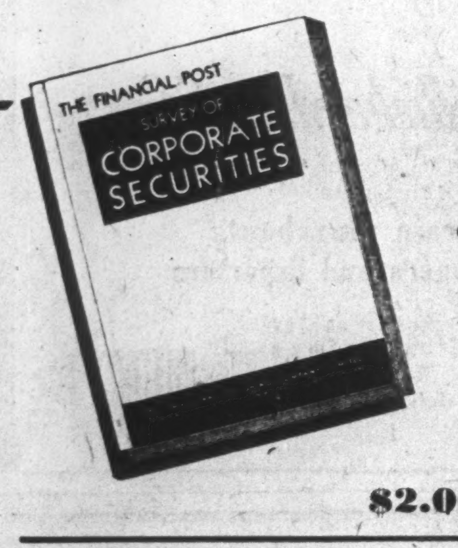
* * *

Wartime Oils Active

A survey of Turner Valley this week showed pre-drill work under way at five locations on independent operator's acreage on the central west flank of Turner Valley. At the location previously staked as Drillers & Producers No. 4, derrick is up and rigging of equipment is being completed, with spudding expected to take place shortly. The well has been renamed Pacific Petroleums No. 6. This is described by the leaseholder as the first well at which drilling will get under way with the backing of Wartime Oils.

At a location in L.S.D. 5 36-19-3w5, offsetting Gem Royalties 1 to the north and Anglo-Phillips 2 to the southeast, derrick has been erected for a well which is expected to be known as Wartime-Valley No. 1. At a location in L.S.D. 16 24-19-3w5, offsetting Okalta 11 to the northeast and offsetting Devonian Test No. 1 to the southeast, cellar and foundations have been completed on an Okalta Oils lease. This will presumably be known as Okalta Oils No. 12.

At a location in L.S.D. 4 25-19-3w5, offsetting Argus 2 to the west and Anglo-Canadian 11 to the south, cellar and foundations have been completed on an Anglo-Canadian Oil Co. lease. This will presumably be known as Anglo-Canadian No. 12. At the location staked some time ago for Lion-Sunray No. 2, site has been cleared preparatory to commencing cellar.



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CS-3

Dominion Coal Seeks Subsidy

By STAFF WRITER

OTTAWA.—Government auditors are now perusing the 1942 statement of Dominion Coal Co. to check its claim for special subsidy treatment under the Emergency Coal Production Board.

Although it mined 67,000 fewer tons of coal in 1942 than in 1941, it improved its financial position in marked degree—presumably as a result of the government having underwritten production to the extent of "standard profits" or 15 cents a ton—whichever was the smaller item.

In 1941, the company is reported as having sales of 4,665,000 tons and a loss before depreciation of $566,125. In 1942, the report shows a profit of $469,600 after providing $1¼ millions for depreciation and other tax provisions. Sales of coal in 1942 were 4,598,000 tons.

Pioneer Gold In Good Shape

From Our Own Correspondent

VANCOUVER. — Although the mine crew has been severely reduced by the manpower shortage, affecting all gold as well as several base metal producers in British Columbia, Pioneer Gold Mines has been able to maintain its operation in good condition and also make a little money, Howard T. James, managing director, told shareholders at the annual meeting here.

Dr. James said that over and above the proved ore reserves limited work on "27" vein had indicated that it was a good prospect with several hundred feet of good ore above average mine width and good ore in both faces on the 21 level drift.

Production is only about 100 tons a day as it has been necessary to concentrate a large proportion of the crew on maintenance and other unproductive duties. Labor conditions are more stabilized now as the men no longer fear imminent shutdown as they did a few months ago. Pioneer has been notified that it has the necessary authority to hire more men, but the men simply cannot be found.

The meeting decided not to replace the late C. D. Kaeding on the board of directors, and seven men will comprise the board in future—Col. Victor Spencer, president; A. E. Bull, Dr. H. T. James, Dr. R. B. Boucher, Dr. F. J. Nicholson, F. W. Guernsey and Major-Gen. D. M. Hogarth.

Power Output Hits Record

From Our Own Correspondent

MONTREAL.—Daily average production by central electric stations last April was the highest for any month ever reported, while consumption of firm power, on the same basis, was slightly below the record figure set in March.

(Thousands of Kilowatt Hours)
April

	1943	1942
Prince Ed. Island	837	795
Nova Scotia	44,605	42,128
New Brunswick	53,460	44,157
Quebec	1,457,507	1,320,742
Ontario	1,052,099	1,030,410
Manitoba	149,217	134,624
Saskatchewan	57,287	50,738
Alberta	39,908	34,436
British Columbia	214,816	208,355
Total	3,049,736	2,866,385

(Thousands of Kilowatt Hours)
January-April

	1943	1942
Prince Ed. Island	3,533	3,412
Nova Scotia	181,160	172,216
New Brunswick	100,492	163,566
Quebec	5,591,836	5,188,958
Ontario	4,194,021	4,256,716
Manitoba	629,469	585,828
Saskatchewan	239,743	211,912
Alberta	173,389	142,878
British Columbia	842,561	853,803
Total	11,946,204	11,579,289

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Steep Rock Party Sees Progress at Property

Drilling Boosts Reserve Estimate — Earnings Prospect is Reviewed in Report — May Be Mining, August, 1944

A party of company officers and directors, government officials from Washington and Ottawa, and representatives of the Canadian National Railways is visiting property of Steep Rock Iron Mines, near Atikoken, west of Fort William, to check development operations.

While no official statement has been given out, it is understood that operations are proceeding well up to expectations with most work ahead of schedule. Originally it had been expected everything would be ready for diverting the water from Steep Rock Lake next Oct. 1, but through factors beyond the company's control, commencement of work was delayed around two months. At present rate of progress, however, it is stated to be possible that preparation to divert may still be completed by the original Oct 1 date.

When officials return from the property, it is expected mine progress will be reviewed. With all financing arranged some time ago, attention will be centred on development operations for the next year or so.

* * *

Coincident with release of a Steep Rock Iron Mines progress report, detailed below, The Financial Post is informed that drilling carried out through last winter resulted in a 50% increase in known reserves of ore available in the "B" ore zone, the area where mining will be undertaken first.

Proven open pit in the "B" zone had previously been estimated at 8,430,600 tons. This has now been increased to 13,423,192 tons.

Taking proven and probable open pit and underground ore in "B" zone together, reserves have been increased from 13 million tons to a total of 20 million tons. Increase in the first case was 59% and on the second basis 46%.

In its 15-page report to shareholders, accompanied by a series of five maps, Steep Rock Iron Mines outlines progress to the present stage of development, and gives details of ore occurrences and estimates of costs and selling prices of ore by Roberts & Crago, engineers.

On the basis of two million tons of ore a year, an operating profit of $2.37 a ton or $4.7 millions annually, before interest, amortization and Dominion taxes, is given, but it is stated that this may prove low.

It is noted a price of $5.61 a ton Canadian funds is allowed in the estimate for the ore but comparable American ore is being sold at from $6.20 to more than $7 per ton U.S. funds.

Before open hearth tests of ore at the Buffalo plants of Republic Steel Corp., 25% of ore had been estimated by Roberts & Crago as the proportion likely to constitute premium lump ore. Now as high as 75% of ore may be lump, it is stated, while premium characteristics of the ore have been demonstrated in actual steel-making.

Production equipment is being provided for two millions tons of ore a year but this is not regarded as the limit. First ore will come from the "B" ore zone open pit and open pit work will be also undertaken an "A" open pit before underground mining is undertaken.

"A" and "B" ore body proven and probable ore is stated to be conservatively estimated at 25 million tons with geology suggesting the ore bodies will extend to depth.

Open pit mining of the "A" and "B" ore bodies alone is expected to provide 30 million tons of ore and sufficient ore for "many decades" is expected on the initial basis of two million tons a year.

All the Steep Rock ore bodies lie below the lake and work is now under way to divert the Seine River in preparation for draining the lake. The west arm of Steep Rock Lake, however, will not be drained for the present. (Details of development plans have been reviewed in The Financial Post previously).

Sufficient water can be removed to permit mining to begin in Aug., 1944, the company's consultants state.

JOINS BARKER'S BREAD

Sydney Hermant, assistant to the president of Imperial Optical Co. and Safety Supply Co., Toronto, who has joined the board of directors of Barker's Bread Ltd.

Base Metals Mining Corp. experienced a 13.5% decline in tonnage of lead-zinc ore handled during the first quarter as compared with the previous period, due principally to the labor shortage. Estimated operating profits were $29,917.

* * *

National Malartic Gold Mines annual report shows $7,252 of cash and $20,150 of Dominion bonds on hand at Jan. 30, 1943, as against current liabilities of only $125. Work was discontinued the first part of 1942 due to war conditions but F. C. Buckland, consulting engineer, states a considerable tonnage of gold ore has been indicated.

Insufficient work has so far been done to block out any ore but large areas of ore have been exposed in both the north and south zones. Present levels are stated to be too far apart for proper correlation of structures and little diamond drilling between levels has been done. Much further work is warranted, Mr. Buckland states.

Inquiries invited regarding Canadian Industrial and Mining Investments. We specialize in the Dividend Paying Gold Mines and in new gold mining properties under present active and encouraging development.

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New priority procedure:

the

Program Classification System

effective June 7

A NEW priority procedure, the Program Classification System, has been established by Priorities Order 4, effective on June 7, 1943. Under this simple, new procedure, industrial purchase orders placed with Canadian firms will be classified within one or more of 24 code numbers.

After June 7 every purchaser of goods of commodities valued at $25 or more (other than a retailer, a person who buys from a retailer, or such others as are designated in the regulations), must provide his supplier with the appropriate code number as indicated by the regulations, or with sufficient information to enable the supplier himself to classify the purchase order.

Industrial and mill suppliers, warehouses and other businesses performing similar functions for industry, shall NOT be deemed retailers for the purposes of the new regulations.

Copies of the new Order, P.O. 4, together with complete details of its operation, are obtainable from Regional Priorities Offices.

Regional Offices:

344 Bank of Nova Scotia Bldg.	Halifax
1155 Bishop Street	Montreal
Osler Building	Toronto
Terminal Building	Hamilton
1009 Canada Building	Windsor
209 Power Building	Winnipeg
c/o North West Purchasing Ltd., 109th St. and Jasper Avenue	Edmonton
1130 Marine Building	Vancouver
Priorities Branch (Ref. P.O. 4) No. 3 Temporary Building	Ottawa

To the Small Importer:

Another new order, P.O. 5, also has been issued. This new order determines procedures under which the small importer of United States materials for maintenance, repair, or operating supplies, may obtain the necessary priority assistance. Obtain details from your nearest Regional Priorities Office.

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Conservation in Industry

Small Bottlenecks Dangerous

Amalgamated Electric Corp. Speeds Up War Output

By ARTHUR D. ELLWOOD

Production bottlenecks often involve small operations but when the pressure is on to speed up output of war materials they are just as serious as are the major jobs.

Search for the worst of these bottlenecks and redesigning, always with the idea of simplification, is the formula followed by Stan Langley, technical manager for Amalgamated Electric Corp. That it has been effective is shown by the list of accomplishments that this company can cite in saving materials and labor.

Sometimes the changes are relatively small and simple such as has been done in parts supplied for radio sets installed in army tanks.

To cushion vibration, the case holding the radio set is placed on small rubber pads held in place by small steel plates which were welded to the carrier. Welding these parts proved troublesome and slow. But the difficulty was completely and easily overcome when an embossing operation, a simple punching job which raised two small nibs on the carrier frame, was substituted for the original welded metal part.

Operation is Simplified

This kind of saving seems simple when seen and explained but its ramifications are unexpectedly large. It meant substituting a simple punch press operation for the more complicated welding job. The operation is simpler and, therefore, the operator needs less skill to develop speed. Welding equipment and the men to use it are scarce, far more so than capable punch press operators or the machines which they use. It is estimated that following the original design on this one small operation meant taking about eight times as long to do the job as does the present embossing method.

Each radio set for a tank is equipped with two small metal cases, one for spare parts and the other for spare valves or radio tubes. The original design for these small boxes called for elaborate butt hinges which had to be rivetted or welded in place. Now a simple pressing operation forms a small loop in the top of the box and the box itself, a wire is inserted and the top is hinged to the main body.

For a lock these boxes were originally equipped with an elaborate, and very secure, hook type of latch. Now a simple design of spring clip holds the lid in place quite as effectively. The main difference is that there is an important saving in material and manufacturing costs.

Save on Tin

Several thousand dollars has been saved in making the main case assembly for tank radios by substituting blue annealed steel plate for tin plate and eliminating soldering, the whole giving an effective box on which a coat of paint takes the place of the tin plate coating for resisting corrosion.

On this job the main objective was to cut down on the use of tin. It was done both by eliminating use of tin plate and through use of spot welding instead of soldering as solder contains 50% or more of pure tin. Vibration in the set which would interfere with its use is eliminated by a simple mechanical method.

Another part on this radio set also involved a tricky soldering job which proved unsatisfactory even with the utmost care. When this soldering job was eliminated, by use of spot welding and a change in design, savings in labor, material and manufacturing costs were achieved and there was the additional important advantage that the two parts were more securely fastened.

Primarily a Subcontractor

Amalgamated Electric Corp. in ordinary times makes a wide range of electrical equipment, most of which goes to distributors of electrical goods and is installed by contractors. It is embodied in wiring devices and equipment, lighting fixtures and similar items which pass more or less unnoticed by the general public. The greater proportion of the company's output goes directly into industry and is seldom seen by the ordinary consumer.

This company has confined its war work to making electrical equipment of a type closely allied to its regular peacetime production, thus permitting best utilization of its experience and equipment. As it is primarily a supplier of equipment composing a part of some larger unit, it is natural for Amalgamated Electric to specialize in subcontracting in its war orders as in its peacetime operations.

There are few articles today that do not use some of the scarce materials which Canadian industry is striving successfully to conserve. This applies just as much to items ordinarily made for civilian use or for use in industry and not directly connected with war equipment in any way.

Amalgamated can supply at least two good examples of this. One is the change made some time ago in the gauge of steel used to manufacture that everyday article of electrical wiring outlet boxes. It was suggested there was no real reason for using 14 gauge steel for these outlet boxes when a lighter gauge would do just as well. This change was worked out and outlet boxes are now made from 16 gauge steel, the Canadian Electrical Standards Association has approved the change; and it has been made compulsory by the Wartime Prices and Trade Board.

By this simple change around 20% of the weight of steel going into each outlet box is saved. As each box weighs around three quarters of a pound and Canadian manufacturers turn out perhaps six million of them each year, the saving in steel mounts up to between 400 and 500 tons annually.

This is one change, moreover, of more than usual significance. It has been accepted by the trade and by the CESA and there is no reason to think it will not prove a permanent saving in the use of steel in peacetime as well as in war.

Early Steel Substitutions

Substitutions for steel in electrical fixtures was well started long before it was made compulsory by the various WPTB orders. An example is the current use of Masonite instead of steel for making the reflectors in the fluorescent lighting fixtures which have been so widely used in the newly constructed war factories in Canada.

By using Masonite in the reflector proper, a change which Amalgamated does not claim to have made alone but which it does claim to have pioneered in this country, 13½ lb. of steel is saved in each reflector made. Work on this change started a couple of years ago when it became evident that supply of steel would be restricted. The cost is about the same as for the steel reflector formerly used but on the estimated 75,000 of these reflectors made in Canada last year, a saving of more than a million pounds of steel can be achieved on an annual basis.

Reflecting efficiency of the Masonite reflector is claimed to be equal to steel. But as there is no present saving in cost, it is not claimed that makers of fluorescent lighting fixtures will continue to use the Masonite when steel again becomes plentiful. This is something which time alone can demonstrate but at present the new material is getting a chance to show what it can do.

Simple changes are responsible for important savings in the war equipment turned out by Amalgamated Electric Corp., an important sub-contractor. Tank radios come off production lines faster and at less cost; electrical equipment is simplified and critical materials saved. For peacetime, Amalgamated, and the rest of the electrical equipment makers, will be able to turn out electrical fixtures that use less metal and cost less to make.

Mining Company Reports

Negus Mines

While rate of earnings showed a reduction the last five months of 1942 with costs higher due to labor shortage, Negus Mines increased ore reserves from 16,000 to 25,450 tons—or in excess of a year's milling supply.

Mine position at Dec. 31, 1942, is stated to be relatively sound. With comparatively small purchases, supplies will be sufficient for a year, it is reported.

Drilling a new vein 300 ft. east of the main ore zone returned ore intersections including 0.54 oz. gold across 1.5 ft. and 0.58 oz. across 1.3 ft. Underground exploration is to be carried out. Shaft sinking for new levels at 800 and 925 ft. was started last November.

Income and Surplus Account

	5 Mos. ended Dec. 31 1942	Year ended July 31 1942
Metals produced	$300,158	$743,127
Less: Marketing	3,867	9,669
Operat. charges	207,251	410,665
Operat. profit	89,040	322,793
Add: Other income ..	750	298
Total net earnings	89,790	323,091
Less: Depreciation ...	31,089	70,759
Development w/o ..	13,048	31,315
N.W.T. royalty	1,222	6,255
Excess profits tax ..	12,274	32,554
Net profit	32,157	182,208
Less: Dividends	49,925	99,850
Surplus for year	*17,768	82,358
Add: Prev. surplus ..	507,127	424,894
Less: Royalty adjust. .	943	......
Loss on bonds	......	125
Surplus forward	488,416	507,127
*Deficit.		
Earned per share	$0.016	$0.09
Paid	0.02½	0.05
No. of Shs. Outstand..	1,997,000	1,997,000
Working capital	$491,269	$503,668

Little Long Lac

Decreases in production, profits and ore reserves were experienced by Little Long Lac Gold Mines in 1942 but working capital showed a substantial increase and shaft deepening was completed for four new levels at 2,406 to 2,864 ft. depth.

Ore reserves at Dec. 31, 1942, totalled 407,699 tons of 0.374 oz. grade or approximately 33,000 tons less than a year previous. Grade was off from 0.407 oz. A gradual decrease in grade of ore milled has been faced by Little Long Lac.

Up to the time of the annual report 4,000 ft. of drifting had been completed on new deep levels returning an average of 0.33 oz. ($12.78) per ton across an average width of 33 inches. The vein at the lower levels is divided into two sections by a pre-ore fault. A small tungsten mill was almost completed at the end of 1942.

Income & Surplus—Years Ended Dec. 31

	1942	1941
Bullion recovery	$1,516,057	$1,634,811
Less: Marketing	17,362	19,107
Net production	1,498,695	1,615,704
Less: Operat. costs ...	896,585	889,894
Operat. profit	602,110	725,810
Less: Depreciation ..	197,365	186,910
Profit taxes	121,556	157,240
	283,189	381,660
Add: Non-oper. rev. ..	13,005	9,305
Net profit	296,194	390,965
Less: Dividends	322,175	368,200
Surplus for year	*25,981	22,765
Add: Prev. surplus ..	149,520	126,755
Surplus forward	123,539	149,520
*Deficit.		
Earned per share	$0.16	$0.21
Paid	0.17½	0.20
No. of shs. outstanding	1,841,000	1,841,000
Working capital	$814,682	$697,879

CHARTERED ACCOUNTANTS

Our Newly Industrialized Society

The great and rapid change in her economy forced on Canada by the exigencies not only of equipping her own army but also of supplying the armies of her allies will be of incalculable significance for her future. Within less than four years Canada, once known in world markets primarily as an exporter of foodstuffs and raw materials, has become one of the most highly industrialized countries on the globe. With peace the intensity and concentration of this effort will slacken; nevertheless, Canada, with a rich residue of factories, machinery and highly skilled labour, should retain a great part of this industrial character.

The services of the chartered accountant will prove to be in greater demand than ever before. Conversion of war plants to peacetime production, refinancing in line with new policies, unprecedented payrolls, readjustment of the relationship between government and business, all will require the professional skill and advice of men acquainted with these problems and with the techniques of handling them. For accountancy is not just a service of which the efficient business man takes advantage, but a body of specialized and intricately detailed knowledge to which only the skilled accountant has access.

During the period of reconstruction the chartered accountant will be ready to put at the disposal of his clients a reservoir of this knowledge gained through trained observation and practice in our newly industrialized society.

One of a series of brief discussions of the work of the professional accountant.

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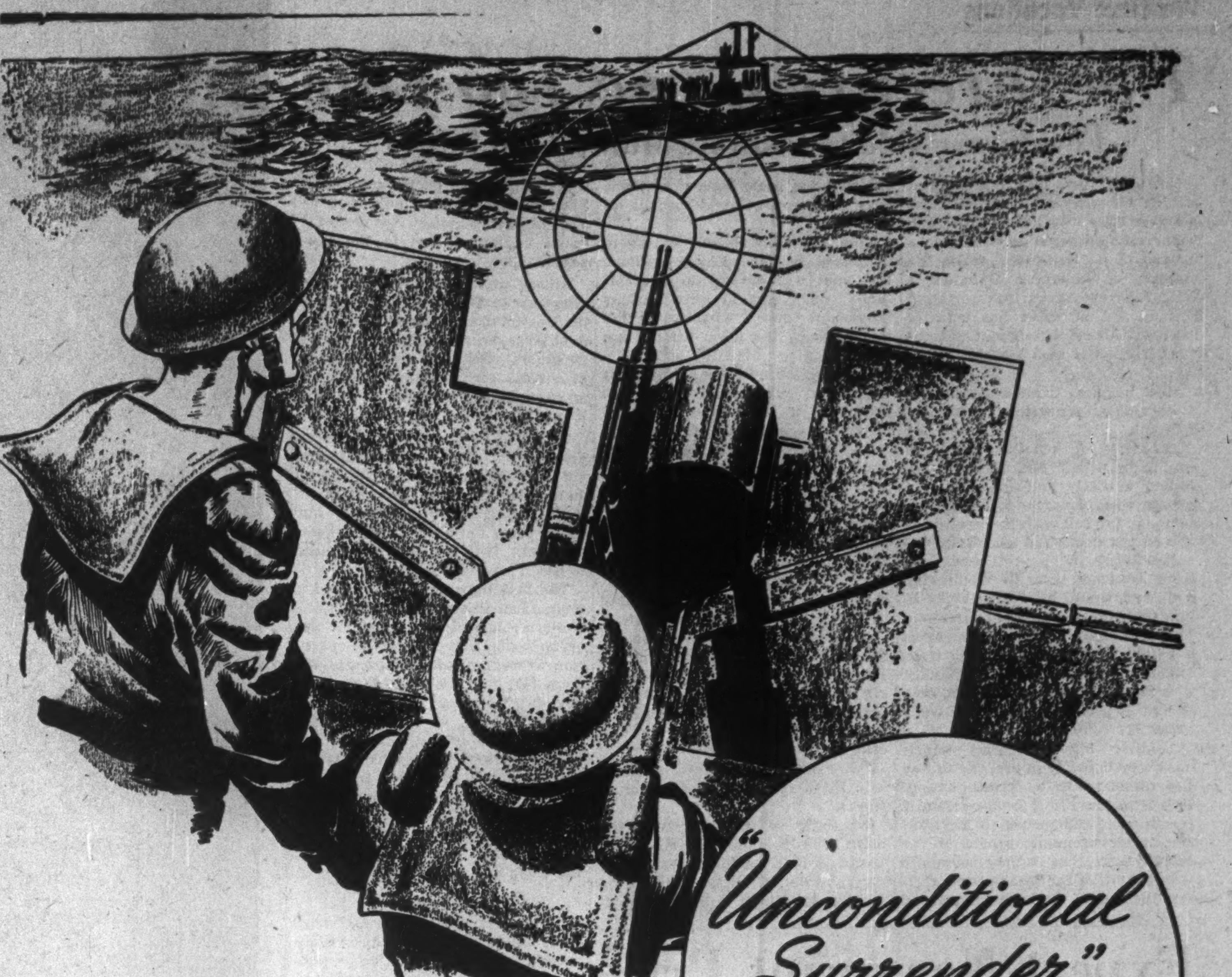
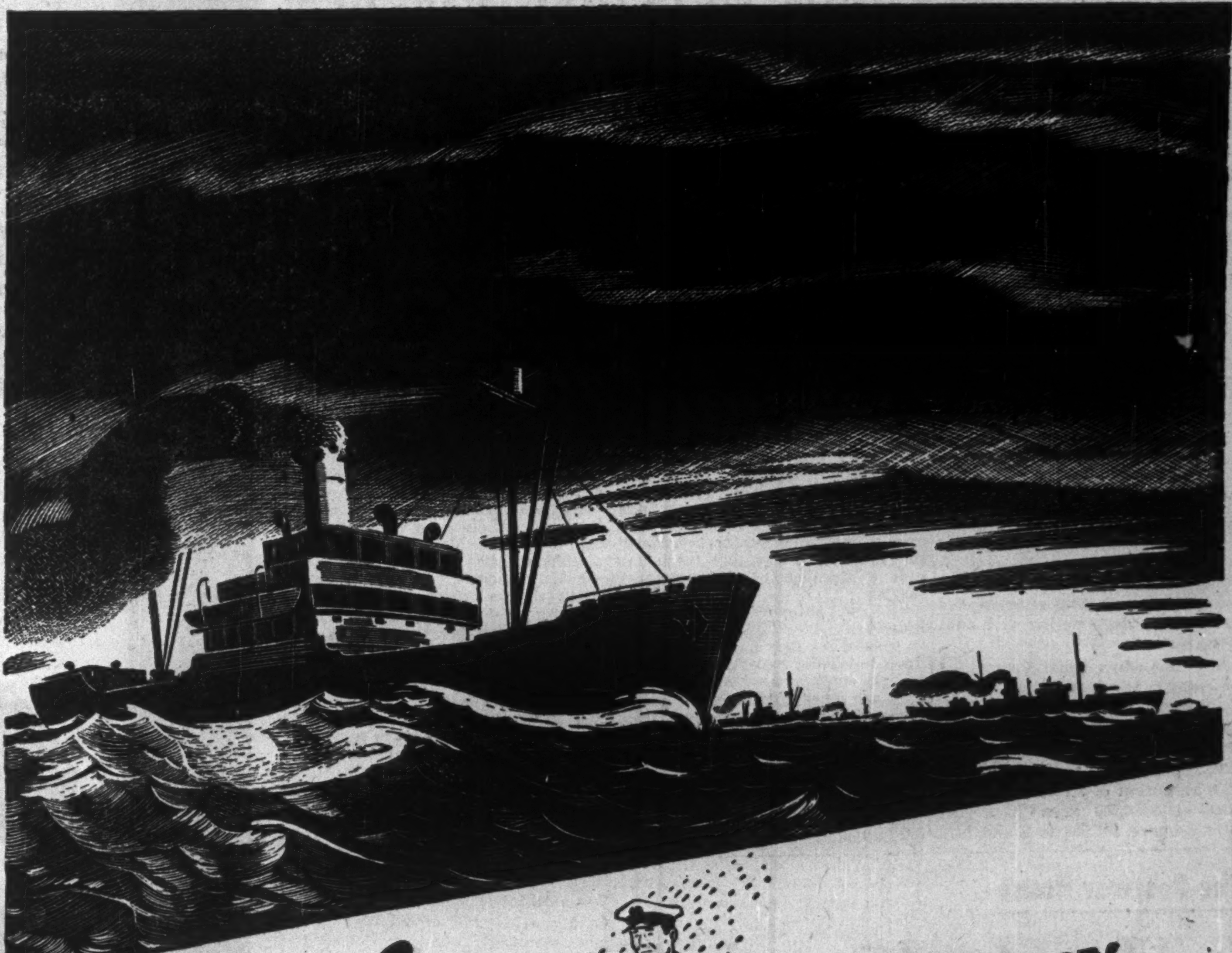


"Unconditional Surrender"
A high moment in the life of the Canadian Navy.
A sketch by "Topside"

PLUMB in the sights of an oerlikon cannon ready at the touch of a button to blast them into the sea, the crew of a German submarine put up their hands after being forced to the surface by depth charges. "Topside" was enabled to go to sea to gather material for this sketch through the courtesy of the Royal Canadian Navy.

Player's Please
MILD OR MEDIUM
"IT'S THE TOBACCO THAT COUNTS"
PLAYER'S NAVY CUT CIGARETTES



Lifeline TO VICTORY

Out from ports of Canada goes a steady stream of tanks, planes, guns, munitions, war equipment, food, clothing, medical and other essential supplies to the United Nations.

Last year this out-bound flood of goods was valued at more than two and one-quarter billion dollars.

This is the great challenge to their capacity to produce answered by Canadian workers on sea and land, in factory, mine and forest.

Shipping space for non-essentials cannot be provided if this stream of supplies, so vital to victory, is to be maintained.

Thanks to the co-operation of business interests throughout the Dominion, Canada's exports have been forged into a powerful instrument of economic warfare that is truly a lifeline to victory.

For advice and assistance respecting imports from all countries and shipments to Latin American countries, write to the Shipping Priorities Committee, Room 123, West Block, Ottawa.

DEPARTMENT OF TRADE AND COMMERCE
OTTAWA - CANADA
Hon. James A. MacKinnon, M.P., Minister
TC 435

Wartime Vacations

The Directive Came Too Late

Few Firms Able to Institute Midweek Holidays

Not until May, 1943, did the Dominion Government directive, that holidays for working men and women should begin on Wednesdays instead of on Saturdays, reach the majority of employers. Designed to relieve an overtaxed transportation system, the directive has actually sown confusion throughout personnel divisions of business and industry.

Most business firms are trying to co-operate but some find it extremely difficult.

There is, for instance, one large employer which has recently installed a costly machine—set at a certain weekly norm—to handle the company payroll with its present involved tax deduction schedules.

Previously the payroll week ran from Thursday a.m. to Wednesday p.m., and would have been right in line with the government directive. The new payroll machine, however, has now been set to function from Monday to Saturday. Consequently it is impossible to change over now except at great cost and inconvenience.

Another big enterprise which has no such device in use, can follow the directive to a certain extent. This firm is willing to co-operate if possible and change over to the mid-week arrangement provided the railways in turn supply adequate transportation for their people during the week. One official pointed out that for some time now there have been no week-end specials on the train.

Like so many business leaders contacted by The Financial Post, this man was curious to know if there really was to be a serious movement toward establishing the mid-week as the norm for civilian holidays.

Actually the mid-week holiday is unpopular with many employees, especially if they have made arrangements to go with friends who work in firms on the Saturday-to-Saturday basis.

It is very difficult for large organizations to make a sudden and complete changeover now. Many holiday schedules were begun in March, some time before the government directive was sent out. Consequently it is too late in 1943 to put it into effect to any extent.

No shiftover to the mid-week holiday date is contemplated at the Toronto City Hall. Employees of the city have merely been invited to relieve week-end congestion, but no directive has been issued to that effect.

"We can't dragoon our employees," said R. C. Harris, commissioner of works.

Similarly at the Ontario parliament buildings—no strenuous attempt is being made to carry this directive out. Civil servants are invited to take their holidays at mid-week rather than on the week-end. Such a changeover would not be difficult to accomplish. Nor would it entail additional cost to the taxpayer.

An executive of a large insurance company in Toronto thinks that if the Dominion Government directive is to be taken seriously by business in general, then the municipal and provincial organizations should set an example in the matter of putting it into effect.

The firm in question commences drawing up its holiday schedule, involving 3,500 employees, the end of January or the first of February. As the Dominion directive did not reach them until after it had been made out, it is impossible for them to put it wholly into effect.

The best they can do is to send a memo, embodying the Transit Controller's suggestion, throughout the organization and ask for co-operation where possible. At present 700 from this firm will take their holidays beginning on Wednesday.

Furthermore, as a result of the delay in issuing the directive, one hotel holding reservations for a large number of people from one corporation has arranged for special transportation facilities with one of the railroads and cannot change them. They are sticking to the week-end basis.

Means Added Cost

Employees obliged to rearrange their holidays may also incur additional expense of travelling by public conveyance whereas they previously might have been able to get private transportation on the week-ends.

But in one plant where employees work in three shifts, no difficulty occurred in changing over to the mid-week system. This is now effective for 400 people out of 2,500.

Most concrete action on the part of a business organization was taken by an insurance company which advised its department heads and branch secretaries to check on proposed holiday plans of employees. Those who planned to travel by train were instructed to go at mid-week instead of on Saturday. They were invited to notify the firm if this interfered too drastically with their plans. Only one such instance was reported.

The same firm has requested the Transit Controller to launch the question of holidays earlier next year—perhaps in the early fall. People could be bonused to take holidays at other than peak seasons, it has been suggested.

Expect Newsprint Price To Go Higher Soon

By JOHN LANGDON

MONTREAL. — Discussions now taking place among Canadian manufacturers have as their objective a further advance in the price of newsprint paper.

Canadian operators were not satisfied with the $4 a ton adjustment made last March. They had been hoping for an advance of $8 to $10 a ton to compensate them for the rise in costs since the beginning of 1938.

Manufacturers have been growing more and more insistent that they must have a better price.

Within the past two weeks discussions have moved ahead very rapidly and a further upward adjustment in the price schedule is now regarded as a definite possibility.

Manufacturers point out that government restrictions on consumption of paper have lowered scale of operations, increasing production and administration costs per ton of paper produced. Wood costs have advanced sharply and the new wood which is now going into manufacture adds appreciably to costs. Labor and transportation charges are higher.

Lower Earnings in Prospect

Return of electric power has added to basic costs of some of the Quebec operators as they cannot always use the power in view of the limitation on production.

In support of a somewhat higher price for print paper, it is pointed out that on the basis of 1939 returns, on which the Federal tax authorities adjudged the industry as "depressed" for tax purposes, the industry as a whole was in the red $9 millions on an annual basis after making provision for depreciation, interest charges and preferred dividends, but before any return on equity.

Since then the deficit has increased to an annual $10 millions rate.

At present and on the basis of new wood coming into use, the average Canadian manufacturer is said to be losing $3 a ton or more after providing for full depreciation and debt charges.

At a time when demand permitted the industry to operate at a high rate of capacity, with resultant maximum efficiency, it was not so hard-pressed.

The peak was reached in 1941 with an output of 3,425,000 tons and sales of 3,454,663 tons. Last year sales dropped 246,000 tons and production about the same amount. The squeeze is definitely on the industry this year. For the first four months of 1943 production dropped 19.9% and sales 15.7%.

There is no prospect of an increase in production or sales this year. In fact, the opposite is likely to happen, especially if the wood supply fails to come up to expectations.

Manufacturers claim that the lower scale of operations this year alone has resulted in almost completely wiping out any benefits which might have accrued from the March advance of $4 a ton.

It is known that negotiations are under way actively and, judged by the sharp market interest in newsprint securities, prospects for an upward revision are receiving more serious attention from investors.

Labor Shortage Plagues B. C. Industrial Front

From Our Own Correspondent

VANCOUVER. — Operators of west coast shipyards, frequently charged by other industries with "hogging" the labor supply, made it known this week that they themselves are short of men and that production could actually be stepped up if they were able to add more men to their payrolls.

One company alone declares that it could make good use of 1,200 more men, and the over-all requirements of the shipyard industry engaged in production of 10,000-ton cargo ships for Wartime Merchant Shipping, Ltd., is said to be in excess of 1,600 men.

This situation is said to be one reason why a Vancouver delegation in Ottawa last week seeking contracts for the building of wooden ships was given little encouragement. The west coast group was told that there were not sufficient men to maintain the steel yards in full production and that there was also a shortage of the necessary lumber.

The steel shipyards have been hit by several factors this early summer. In some cases they have been called upon to release experienced miners, loggers and farmers for the work they are more familiar with, and in others labor that came here from the prairies has returned voluntarily to the farms after their leave expired. Fishermen have also left their shipyard jobs for a similar reason, and at some yards the housing situation has been such as to discourage employment.

Seek Coal Miners

National Selective Service is currently concentrating on the job of finding additional men for the Vancouver Island coal mines whose production has been declining at a time when more coal is urgently needed. It is also trying to get additional men for the logging camps where, it is feared, production will show a serious slump all year as a result of last winter's prolonged shutdown and the danger of further curtailment during the coming dry season. Loggers have virtually abandoned all hope of catching up on lost production in December-January-February during the present season. Prospects of obtaining any relief through employment of Japanese in the interior are slim indeed as a result of the lack of response on the part of employers. Only about 125 Japanese have so far been signed, out of a total of 4,000 said to be available.

Gold mining operations have been seriously affected not only because of the lower priority on labor but because most of them are in relatively isolated areas and they are a long way from the larger labor pools on the coast. Several of the larger mines are contenting themselves with maintaining the properties in good condition without expecting to earn as much as formerly and holding development work in abeyance.

There is still the danger of more gold mines being closed down in the province. About 14 mines have been shut down during the past year.

The Postwar House

The Architect's Viewpoint

(Continued from page 11)

nature accompanied by startling photography, people have come to think that almost anything can be done with them.

The truth is that the subject of modern plastics is so new and so complicated that only technicians in the plastics industry may be expected to have a full grasp of it. Such experts warn us that each plastic has such a surprising range of properties that the specification for use of such materials without the best possible technical advice will only lead to trouble.

These men do not think of plastics as being chiefly substitutes for other materials such as glass, wood, stone and metal alloys. They feel that there are many cases where such materials may do a better job than plastics.

They point out, though, that plastics when combined with other materials will heighten the usefulness of such materials. In this group might be mentioned resin-bonded plywood, laminated wood structural framing members made possible by the use of construction glue, safety glass, which is a glass and plastic sandwich, plastic impregnated glass wool and weather resistant coatings for exposed metals.

New Materials Coming

Among other products which may come into common use may be listed:

Woods treated for fire resistance.

Window screens which will require no wire.

Porcelain enamelled steel.

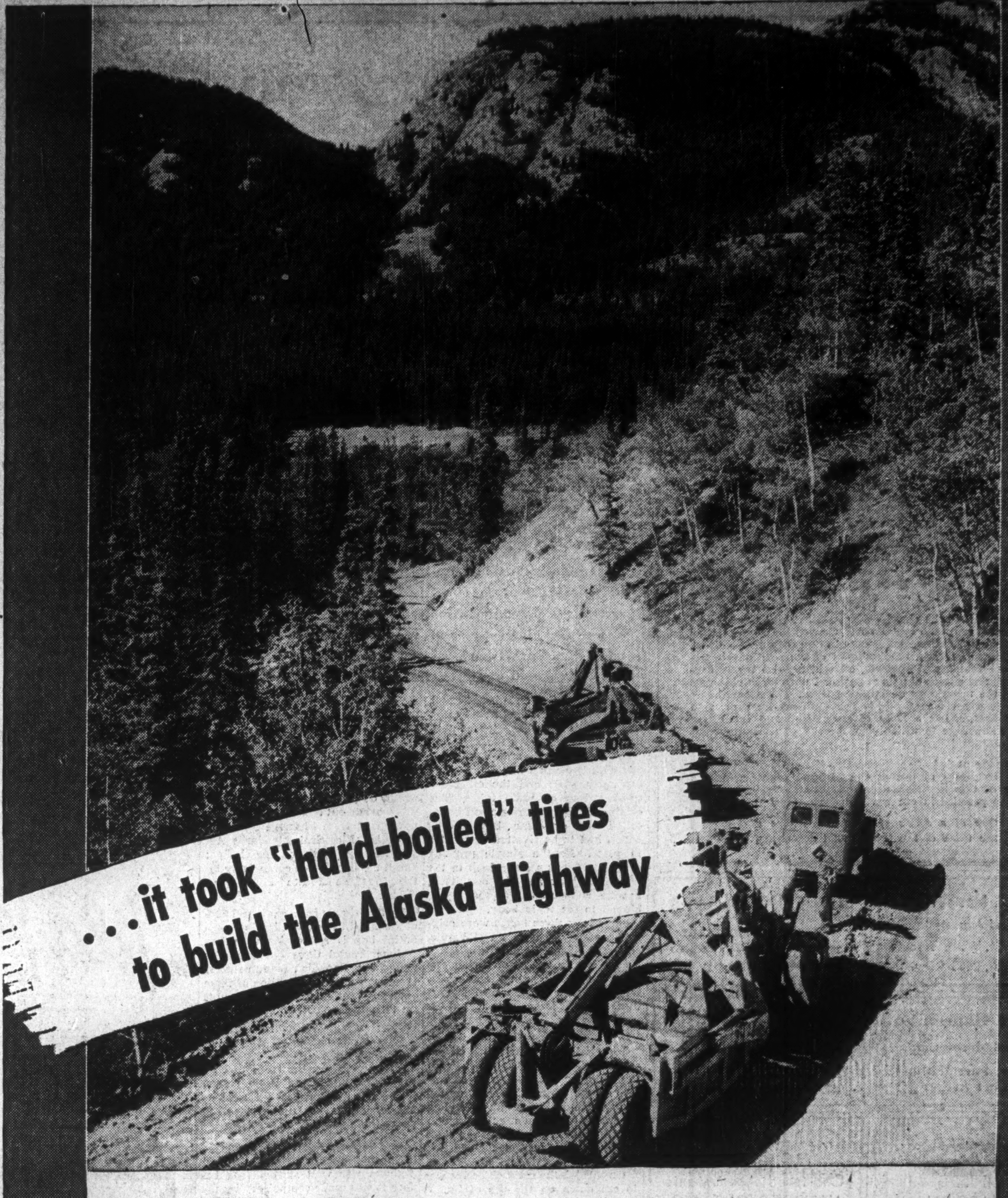
Rustless steel, non-ferrous alloys.

Unbreakable glass and polarized glass.

Double sheets of polarized glass will eliminate glare and, when installed so that one sheet may be moved slightly with respect to the other, they can be used to cut off the view entirely and may then do away with the necessity of window blinds.

Common sense linked with the best contemporary taste should produce houses which will serve us better than any we have known thus far.

Any discussion of the postwar house without reference to housing generally would be incomplete. Progress means going forward. It should contain the elements of greater spiritual growth for the individual and community alike. Good housing should not be confined to the few. If the postwar world is to measure up to our hopes and expectations all people must be allowed to live in decent, wholesome dwellings. It will be necessary to rid our communities of slums. Row-on-row of houses along traffic-infested streets must give way to self-centred neighborhoods which will function as social units on a human scale.



● It took horsepower, brawn and muscle to shove a road like the Alaska Highway through swamps, forests and mountains. It took the right stuff in men, materials and equipment to stand the gaff. And . . . it's going to take plenty more of the same stuff to keep the "land freights" highballing through to Fairbanks and back.

Goodyears helped to build the highway, and now they travel it without a whimper . . . all the time . . . any time.

But the Alaska Highway is only one of Goodyear's war jobs . . . at home and throughout the world. New highways . . . new airports, have been carved out of Canadian wilderness, and each time Goodyears were there.

To you travellers of Canada's highways and by-ways . . . whether in nimble cars or rugged trucks . . . this is a fact to remember: Goodyears get through because they're built to lick the worst enemies of tires . . . tough roads, big loads . . . tight schedules.

In war days, as in peace days, to "Go Goodyear" means to go with dependability, safety and economy.

If you are eligible for new tires . . . see your Goodyear dealer for replacements. He will attend to all details, help you with your application, guide you in choosing the RIGHT Goodyears for your use.

MORE TONS ARE HAULED ON GOODYEAR TIRES THAN ON ANY OTHER KIND

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THE GREATEST NAME IN RUBBER